



**Factors influencing the practice of investment promotion
agencies in attracting inward foreign direct investment from
China as an emerging market to the United Kingdom**

Thesis submitted in accordance with the requirements of the University of
Liverpool for the degree of Doctor of Business Administration (DBA)

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Abstract

This study investigates what influences the ways in which an investment promotion agency (IPA) attracts Foreign Direct Investment (FDI) to an established market such as the United Kingdom. FDI is usually associated with inward flows of finance to developing countries. However, in this research FDI attraction in the opposite direction is explored, from China to the UK, when a developing country invests in a strategic asset in a developed economy. The management problem, which arose after a few deals failed, was in my organisation; it was caused by the disagreement between its UK and China offices on the main factors that influence an IPA's promotional practices in attracting inward FDI from the emerging market of China to the UK. In terms of IPA practices and activities, the need for the research is underlined by declining organisational performance resulting in poor business outcomes. Understanding what factors influence IPA promotion practice, and how the organisation's IPA promotion performance can be improved, are important issues which, if resolved, will impact positively on the organisation and on me as its Director. The research uses a qualitative action research approach employing two separate action cycles to guide the data collection and analysis. Data were collected in three ways: semi-structured interviews, focus groups and a comparative case study. The case study provides my position as an internal researcher with an external perspective. The findings identify themes involving policy advocacy, targeting industry, regional strategy and cultural adaptation that can exert a positive and significant influence on an IPAs' practices in attracting inward FDI from China. The findings provide sustainable, actionable outcomes for the IPA organisation and will assist me to develop my role as a more effective senior manager. Although the research attained its aim of producing actionable workplace knowledge, the study, by extending the limited research on IPA activities, also makes a contribution to the knowledge about the field.

Keywords: Investment promotion agency (IPA); IPAs' practice; Inward foreign direct investment (FDI); China; influential factors; Action Research

List of Abbreviations

BRI	Belt and Road Initiatives
BRICs	Brazil, Russia, India, China
CAL	Critical Action Learning
CBBC	China-Britain Business Council
CCOIC	China Chamber of International Commerce
CCPIT	China Council for the Promotion of International Trade
CIPA	China Investment Promotion Agency
DIAE	Division of Investment and Enterprise Department of Trade and Industry (United Kingdom)
DIT	The Department of International Trade
FDI	Foreign direct investment
GDP	Gross Domestic Product
HEI	Higher Education Institution
HR	Human Resource
IDP	The Investment Development Path
IPA	Investment Promotion Agency
IMF	International Monetary Fund
LDC	least developed countries
MIGA	Multilateral Investment Guarantee Agency
MOFCOM	Ministry of Commerce
MSE	medium and small enterprise
NGOs	Non-Government Organisations
OLI	Ownership, location, and internalisation
OECD	Organisation for Economic Co-operation and Development
PAR	participatory action research
SWOT	strengths, weaknesses, opportunities and threats

TNCs	transnational corporates
TPOs	trade promotion organisations
The UK	The United Kingdom
UoL	University of Liverpool
UKTI	UK Trade and Investment
UNCTAD	United Nations Conference on Trade and Development
UNIDO	United Nations Industrial Development Organisation
WAIPA	The World Association of Investment Promotion Agencies
WTO	The World Trade Organisation
WAIPA	The World Association of Investment Promotion Agencies

Declaration

I declare that this thesis I have presented for examination for the degree of Doctor of Business Administration (DBA) of the University of Liverpool is solely my own work other than where I have clearly indicated that it is the work of others.

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Chapter 1 Introduction

1.1 Background to the research

This thesis explores the factors influencing the practice of investment promotion agencies (IPAs) in attracting inward foreign direct investment (FDI) from the emerging market of China to the United Kingdom. IPAs were established to systematically attract foreign direct investment to a wide variety of countries and regions, although academic research on them started only three decades ago. The most influential and leading researchers in the IPA field are Wells and Wint (1990, 2000) who were the first to view IPAs' activities as marketing promotions in which the "customers" were potential investors and the "products" were countries. China, having first sought to attract inward FDI, is now shifting towards the promotion of outbound FDI, which overtook inward FDI for the first time in 2015. Although China's policies regarding FDI have become more open over time, the institutional framework is still very much regulated by its central government, which remains the main operational decision-maker regarding the approval of investment projects at many levels (MOFCOM, 2018). In 2017, China's government imposed a series of new regulations for foreign exchange controls which affected all deals involving currency outflows from China, in particular outbound investment by Chinese investors. This caused a dramatic drop in outward FDI (Clover and Mitchell, 2017). My organisation as an IPA has faced challenges to remain sustainable, so it is essential for it to understand the factors influencing China's investment in the UK. IPAs are regarded as making a significant contribution to the development of inward FDI in their own country. As noted earlier, there is limited IPA research because their business activities are relatively recent, and the organisations themselves are complex. My action research project was not designed to study the factors influencing IPA activities *per se*, but to understand their activities in relation to inward FDI from China to the UK.

My organisation, CBBA, is a non-profit organisation founded in 2008 in the City of London by five business partners. CBBA provides investment consulting services to Chinese clients who are interested in running businesses or investing in the UK. I am one of the partners, responsible for operations and marketing. The mission of the organisation is to promote exchange programmes regarding education, commercial relations, investment and trade between the UK and China with the support of Chinese and British government agencies and business communities. Since 2008 we have arranged more than 200 events and visits abroad for Chinese groups of varying sizes and formats. CBBA is also a membership organisation that brings together individuals, companies and organisations that share a deep interest in conducting business between China and the UK. We engage with people from a diverse range of backgrounds, including businesses, academics, the media, Non-Government Organisations (NGOs) and politicians, discussing core issues to promote the exchange of best practice between China, the UK and Europe. Our organisation has established five Business Centres of Activity, each providing a range of business services for government agencies and enterprises. We also host events and engage in social networking to attract inward foreign investment from China.

The year 2009, when the financial crisis caused serious repercussions across the world, was unforgettable. Like other countries, the UK was deeply affected, and as a result, businesses closed down and many people were laid off from work. Our organisation, the CBBA, also faced the challenge of surviving and redirecting our business. During the financial crisis, when we saw companies in the same building starting to vacate their premises, it shone a bright light on a seriously developing situation. We had to consider how to generate a sound plan without delay, to ensure that we could maintain our agency because our local clients were withdrawing their contracts. Pedler (2010, p.13) argued that the best starting place for action and learning starts by asking candidly "What sort of organisation is yours"? In considering Pedlar's question, we noted that 2010 was when China overtook Japan and became the world's second-biggest economy. Consequently, we decided to develop a business partnership with China rather than in the UK because our

clients in China had told us that their businesses were not affected by the financial crisis. As a result, we set up an office in Chengdu, one in Guangzhou, and a third in Wuhan. Looking back, we reflect that this was a turning-point for us because China's economy continued to prosper greatly. Professor Jin Men investigated whether the financial crisis made China a superpower, and concluded that China's importance in the world economy had been enhanced by the financial crisis to the extent of about \$2 trillion in foreign currency reserves (Jin, 2009). We also saw senior members of governments in Europe paying enhanced bilateral visits to China. I started to think about outward Chinese investment in the UK and Europe and increased my interest in this field through reports and research.

In 2012, I started an online Doctor of Business Administration (DBA) course and based my work on this qualification. I have seen many changes in the ten years between 2009 and 2019. Now both China and the UK stand at the beginning of a new era: The UK faces critical Brexit negotiations with the European Union while China is facing significant challenges from the US-China trade war and is at the same time promoting Belt and Road Initiatives (BRI). These uncertainties have caused FDI flows to decrease in both countries. According to UNCTAD's Global Investment Trends monitor, issued in January of 2019, estimated global FDI flows show a 19% decrease from those in the previous year (WAIPA, 2019). I want to explore the factors influencing IPAs' methods of attracting inward investment based on my own practice, especially from the promotion and marketing perspectives.

With the size and history of our organisation in mind, I decided in order to minimise the risks inherent in insider research, to conduct two comparative case studies. They would investigate large investment promotion agencies between China and the UK: The China Britain Business Council (CBBC) and the China Council for the Promotion of International Trade (CCPIT), which would allow me to be less of a research insider and more of an impartial observer. In so doing, any new or different information that was obtained would expand my understanding of the cases and increase the scale and scope of the research. IPAs have been established to systematically attract foreign direct

investment (FDI) to a wide variety of countries and regions. In the context of my work, the two oldest and largest organisations, CBBC and CCPIT, are the most representative of international trade and investment promotion agencies, respectively, in their countries. The two organisations have a similar responsibility in international trade and investment promotion, but also show significant differences in their operational models and organisation structure.

A DBA thesis involved me as I engaged in managerial actions in my own organisation. It investigated a specific problem encountered in a working setting. The DBA assessment criteria from the University of Liverpool (UoL) required engagement with managerial/executive action and the development of actionable knowledge. The primary purpose of action research has its own character; it is the improvement of the practitioner's own practices – learning from actions to generate knowledge and organisation/social changes.

1.2 Rationale and objectives for research

An experience common to all investment promotion agencies is that the managers face every day a range of challenges. My management research was primarily conducted to resolve problematic issues, but also to generate a body of knowledge in the IPA field by trying to work out how certain problems occurring in my agency could be solved.

1.2.1 Three reasons why I chose this topic

The three main reasons for choosing my research topic: First, I chose it to improve the promotion performance in my organisation. In recent years I have found that not only has the commercial environment changed but also clients' attitudes. Our Chinese team argued that perhaps we were unaware of what had changed recently and which factors impacted on our Chinese clients. I wanted to explore the factors influencing how IPAs attract inward FDI based on my practice and to improve our organisational performance despite the recently reduced flow of FDI between the two countries.

Second, I chose this topic for reasons of academic research. There is very little peer-reviewed research about IPA promotion. The scarcity of research is due in part to the newness of IPA agencies. Most IPA agencies were established between 1999 and 2013, many of them after 2005. The limited existing research and contemporaneous nature of IPA promotion make it an ideal topic for practice-based research.

Third, I chose this topic in order to take on the dual role of practitioner and researcher. This action-oriented research gave me the chance to contribute in this role to professional knowledge and practice in the related field of IPA. As a manager-researcher, I would face the challenges of role duality and managing organisational politics, which could give rise to ambiguities and conflicts from enquiries both inside and outside my IPA.

As a manager researcher, it is essential for me to understand my own thinking and how it affects me and my organisation. I wanted to successfully combine IPA action research and business management in order to meet the criteria of both the academic community and the organisation's business needs. As a director who is responsible for operation and marketing, I face events in my workplace that require me to find the right solutions and take action. Through exploring, actually doing, and then reflecting, I should enhance my understanding and experience of my team, my organisation and myself.

Earlier in the first DBA module, UoL learning sources provided several definitions of what 'scholarly practitioner' meant and what kind of skills scholar-practitioners were required to have. Tenkasi and Hay (2004) suggested that scholarly practitioners are successful in delivering business results and furthering academic knowledge. After around five years of engagement with action learning processes, I am looking for a pathway to developing and becoming a scholar-practitioner.

Since professional doctorate degrees, for example, Doctorate of Business Administration (DBA), Doctorate in Education (EdD) were first offered, the scholar-practitioner concept has attracted much debate from academics and

practitioners. Some authors separated the two concepts as producing either practical results or academic work. Other academics attempting to bridge the gap between the two systems called for "semiotic brokers" to connect scholars with practitioners (Tenkasi and Hay, 2004; Pasmore et al., 2008; Hodgkinson and Rousseau, 2009; Astley and Zammuto, 1992). Huff and Huff (2001, p.50) advanced the concept of boundary-spanners and defined "who can potentially close the relevance gap from both ends of science and business". Hay (2004) also proposed a similar meaning, and maintained that actionable scientific knowledge could successfully span science and business and meet the criteria of the scientific society and the organisation's business needs.

To give one example in my experience, a couple of years ago when we started to introduce a new training programme to our existing Chinese clients, we found that an age restriction made it hard to obtain business or student visas for those over 60 years old. After engaging with our team members in China and the UK, we found that there are no age restrictions on international business meetings. In fact, each training programme that we provide already includes arrangements for meetings with industry partners in the UK, and, as a result, we invited candidates for international business meetings instead of training programmes. This "critical" problem was transformed into a "tamed" procedure. I was concerned about biases, from both academics and practitioners, which might occur when researchers interacted with study participants (Miyazaki and Taylor, 2008). The DBA as a professional doctorate combines research, action learning, practices and personal development (Bourner and Simpson, 2005), in which, more than acquiring a functional knowledge (e.g. marketing promotion techniques, maintaining customer relationships, etc.) I learned how to think and act critically in a practical environment.

As mentioned above, I have been one of the partners of CBBA responsible for operations and marketing since 2008. CBBA promotes exchange programmes regarding education, commercial relations, investments and trade between the UK and China. I started to focus on outward Chinese investment in 2009 when the financial crisis hit Western countries and China took over

Japan's economic position. Many changes, of course, have ensued between 2009 and 2019. Senior members of governments in Europe have devoted much attention to bilateral visits to China. Exporting to China and investment from China have been critical for European multinational companies and governments. Addressing the issues associated with IPA promotion through this action-based study will enable me to carry out my organisational duties more effectively. Undertaking the study will also enable me to develop as a marketing professional.

1.2.2 Objectives of my action research thesis

My action-orientated research explores the factors influencing IPA practice in attracting inward FDI from China to the UK, in particular the marketing of such FDI. From theoretical and practical perspectives this thesis includes new insights and knowledge achieved through exploration of the following critical action research objectives during one CBBA project case, and a comparative case study of CBBC and CCPIT from the outside:

- (1) to explore the factors those have a significant influence on IPAs' practice in attracting Chinese inward FDI to the UK,
- (2) to improve my organisation's performance in promoting inward investment,
- (3) to provide recommendations to IPAs in the UK about ways of attracting more inward FDI from China.

1.3 Context of IPA studies

In this section, I outline the context of IPA studies, on which more detailed information is provided in the next chapter. The key concepts have already been defined more than once. They include numerous attempts to benchmark information and guidelines for IPAs by an array of international organisations, including the World Association of Investment Promotion Agencies (WAIPA), the United Nations Conference on Trade and Development (UNCTAD), the Organisation for Economic Cooperation and Development (OECD), the United Nations Industrial Development

Organisation (UNIDO), and the World Bank's Foreign Investment Advisory Service and Multilateral Investment Guarantee Agency (MIGA).

1.3.1 Definition of IPAs

Investment promotion agencies (IPAs) are often government agencies or non-profit organisations that function similarly to a Chamber of Commerce or business consulting service whose mission is to attract investment to a country, region or city (Campisi and Sottilotta, 2016). IPAs' four core functions are discussed in Chapter 2. Wells and Wint (2000, p.1) defined investment promotion as "activities that disseminate information about, or attempt to create an image of, the investment site and provide investment services for the prospective investors". Morisset (2003) argued that typical investment promotion activities were undertaken by a single dominant agency. However, some promotional techniques can be implemented in other ways; for example, by international business ministries or by embassies, and some IPAs also have other functions, including export promotion and tourism promotion. These definitions sum up the two most important analytical justifications for IPAs. The first justification consists of the role of IPAs in communicating and distributing investment information. Local businesses may deliberately build boundaries in order to prevent information from reaching potential foreign contestants. The second justification is that the IPAs in the host country play an important role in lobbying for key policy and legal reforms, which particularly could assist potential and existing investors to handle policy issues and improve the business environment.

1.3.2 Joint or splitting IPA

There are two different types of IPA, one related to trade promotion, joint investment and trade, and the other splitting off trade promotion from an IPA (UNCTAD, 2013). Harding and Javorcik (2011) found that joint investment and trade promotion might bring several benefits, including policy and strategy coherence, especially in an industrial sector and at the state level. International trade encourages international investment and vice versa. Investment and trade promotion agencies can effectively fulfil the roles of stimulating

both trade and investment, at the same time reducing the cost of public services. In addition, such agencies benefit from the sharing of information and the synergies and resources that a merger can bring. UNCTAD (2013) published '*A case for joint investment and trade promotion*' which discusses joint or split IPAs. Many agencies have merged, in fact, in the last two decades, for instance in Germany, New Zealand and the UK. By way of example, in October 2003 Britain established UK Trade and Investment, renamed from the previous British Trade International, a merger between Trade Partners UK and Invest UK. The new name signifies the cooperative relationship between outward trade and inward investment. Similar examples have appeared in Germany, New Zealand, Australia, Switzerland and Portugal. Costa Rica established PROCOMER in 1996, which resulted from a merger between the governmental functions of investment promotion and trade export management.

The most positive feature of joint trade and investment promotion is that new investment schemes can increase exports from the host countries. However, the causation may also turn from trade to investment when exports require the establishment of new facilities in host locations. IPAs need to adapt to a changing environment and confront emerging challenges and most IPAs from the OECD countries have experienced reforms that integrate new mandates within agencies, including trade promotion, innovation and tourism promotion, etc. (OECD, 2018). The three organisations involved in the case studies in this research are joint investment and trade promotion agencies.

1.3.3 Inward FDI

Recognising the positive effects of investments in supporting economic growth and sustainable development, governments around the world established IPAs to attract inward FDI and foster job creation and productivity growth (OECD, 2018). According to the World Bank, Inward Direct Investment, also reported as direct investment, includes all the liabilities and assets transferred between resident direct investment enterprises and their direct investors (The World Bank, 2017). UNCTAD (2007, p.248) defined inward

investments as "capital transactions of net increases in liabilities between direct investors and their foreign affiliates". At the same time, inward FDI can also bring unwanted changes and unsustainable development, such as poorly planned and rapidly built infrastructure projects.

Inward FDI often follows the acquisition by or merger with a foreign company of an existing company. My research focused on inward investment from China, extending to include inward FDI from emerging markets. Although there is no consensus on which countries should be seen as emerging markets, the BRIC countries spring to mind, meaning Brazil, Russia, India, and China (to which South Africa is sometimes added, but not in the present study). The main rating organisations (IMF, MSCI, S&P, and Dow Jones) further expanded the category of emerging countries to include the following: Brazil, Chile, China, Colombia, Hungary, Indonesia, India, Malaysia, Mexico, Peru, Philippines, Poland, Russia, South Africa, Thailand and Turkey (Matthias and Luis, 2006).

1.3.4 Outward FDI from emerging countries

Outward FDI is a natural progression when a company's domestic market becomes saturated and it wants to expand its business abroad. According to the World Bank (The World Bank, 2018) outward direct investment, also called direct investment abroad, includes assets and liabilities transferred from resident investors to their direct investment enterprises. The OECD (2008) and UNCTAD (2008) defined outward FDI as a business strategy in which a domestic firm expands its operations to a foreign country. The form of outward FDI includes greenfield investment, merger/acquisition, or the expansion of an existing foreign facility.

The extent of a nation's outward FDI reflects whether or not the state of its economy is mature (UNCTAD, 2012). The USA, the countries of Europe and Japan have long invested extensively outside their domestic markets. Meanwhile, emerging countries often receive large amounts of outward FDI that affect the speed of their growth; as China, for example, has done for the past

twenty years. But now some emerging market countries have begun to make investments abroad. According to a Report on Development of China's Outward Investment and Economic Cooperation published in 2016 by the Minister of Commerce, Chinese companies are now engaged in large-scale outward FDI. Indeed, Chinese overseas investment exceeded inward FDI into China for the first time in 2015. In 2016, Chinese companies invested over \$170 billion overseas (MOFCOM, 2018).

In the early 2000s, outward FDI from emerging countries began to draw increasing attention, while researchers sometimes found more disparities than similarities in comparisons between the four BRIC economies. It was observed that “that the country grouping coined BRIC may appear heterogeneous enough to contest that gathering the four countries together is relevant” (Andreff, 2015, p.79-80). Outward FDI from each BRIC country is rather specific, the biggest difference being that state support to OFDI promotion in Brazil and India cannot compare with that in Russia and China, where outward FDI is used as a tool of foreign policy and diplomacy. Outward FDI promotion seems to be more institutionalised and structured in China than in Russia (Andreff, 2014, 2016).

1.3.5 The effectiveness of investment promotion

The impact of investment promotion in generating foreign direct investment has been studied for almost three decades, although it is difficult to collect systematic evaluations of all types of promotional activity and structure. The approach of evaluating the performance of investment promotion emphasizes image building, investment generation and investment services (Lim, 2008; Morisset and Andrews-Johnson, 2004; UNCTAD, 2001; Wells and Wint, 2000). Wells and Wint (2000), UNCTAD (2008) and Lim (2008, 2018) are the leading authors to study the effectiveness of investment promotion. Materials can be found that give some indication of the promotional techniques and structures that have been effective in attracting foreign direct investment. The field of investment promotion has significantly amplified its professional image over the last few decades. However, in the past, IPAs lacked

experience of promotion and often adopted marketing techniques which were too common and lacked specific appeal. Nowadays, they are gradually learning how to target defined industries and individuals. Through analysing the motivations for investment across countries, IPAs present actual investment opportunities to their memberships and clients. With the development of professional marketing techniques in the IPA field, more IPAs are now focusing on specific target countries rather than the general promotions of the past (Lim, 2008; Morisset and Andrews-Johnson, 2004; UNCTAD, 2001; Wells and Wint, 2000). In the increasingly professional world of investment promotion, investment generation and investment services, the investment priorities and decision-making processes of IPAs, are essential for IPA managers to understand.

1.4 Research problem

IPAs play a significant role in attracting inward FDI to their home country. As noted earlier, IPAs, whose average age is only 18 years, have so far been the subject of little research, though the organisations themselves are complex. My own action research started with the identification of problems in my workplace.

1.4.1 What is the research problem?

At the initial problem stage, which I later redefined, I assumed that my workplace-based problem was the lack of promotional tact and experience among our staff in China, whose practices were leading to poor performance. Over the last two decades, investment promotion has become more competitive and complex. Globalisation, outsourcing, mergers and acquisitions, and new investors from emerging economies have approached along increased numbers of channels from developed economies. I thought that we needed to find a way to improve our staff performance and become more effective in IPA practice and activities. There is much debate about the different ways to measure the effectiveness of IPA practice, including the resources involved, funds and human resources, and the setting up of overseas offices (Morisset,

2003; Morisset and Andrews-Johnson, 2004; Series, 2008; Wells and Wint, 2000). I knew that the CBBA might change its views on budgets and human resources in the next few years and thus it would be more practical to redefine the problem by looking for the factors that influence those in marketing or operations positions who have inward FDI to allocate.

The most important IPA promotion strategy is targeting industry. In this regard British education has one of the best reputations in the world, attracting huge amounts of inward FDI for the purchase of private school and cooperating with universities from China (Turner, 2019). There are three times as many Chinese studying in the UK as people from India where the second-largest number of students comes from. The tuition fees and other expenditure by these Chinese students have become an increasingly valuable financial resource for universities and host countries in general, notably since the British government has cut public expenditure following the Brexit vote. In 2017, our organisation developed an investment promotion strategy to target the education industry in three cities in China. Our team constructed and delivered initiatives that targeted investors on the basis of our resources in Cambridge's education sector. The demand for 'Western education' and a favourable exchange rate fuelled interest from China in the acquisition of British educational institutions, from pre-school education and KS12 to higher education. Charlton and Davis (2007) found the targeting of an industry increases the growth rate of FDI inflows into that industry by 41 per cent. In the UK office, we made targeting industry the priority and believed it to be one of the main factors influencing IPA practice in attracting investors. Our Wuhan office aimed to target higher education customers, while the Guangzhou and Chengdu offices targeted international nursery investors. The targeting approach worked well, and the offices all developed great potential clients and investors, especially those who were interested in investing in a UK franchise nursery licence. However, offices in China always emphasise that Chinese policy and government regulation are the main factors influencing promotion practice.

Even though China's policies regarding outward FDI have become more open over recent decades, the institutional framework is still very much regulated by the Chinese government. The Chinese government remains the main operational decision-maker as regards the approval of investment projects at many levels. In my organisation the differing opinions on the factors influencing IPA practice caused disagreements. After one year of service, when the parties to a few big projects failed to sign a Memorandum of Understanding (MOU) with the Chinese investors, I thought the key factors should include more than the targeting of investors/industry and policy/governmental regulation. There were some factors that we might have missed and needed to explore if we were to improve our performance. It is important to consider a mix of internal organisational dimensions and investment climates between the home and host countries. I subsequently redefined my problem after having a WeChat meeting with our marketing teams in the two countries as: First, our organisation did not know the main factors that influence IPAs' practices in attracting inward FDI from China to the UK. Second, after a few deals failed we did not have the clear strategies and approaches to improve our investment promotion practices.

1.4.2 Why does it need to be investigated?

The UK education industry attracted a huge amount of inward FDI to purchase private schools and cooperate with universities from China (Turner, 2019). One of our branch offices located in Wuhan, Central China, introduced a female Chairperson to us last year, Madame L, who owns a well-regarded private college with 25,000 graduates in central China. She was looking for a strategic asset to enable her to expand internationally, and her intention in the acquisition was to develop a global value chain. She tried to cooperate with one of the top 20 ranked universities in the UK to set up a joint venture international college. The co-operation arrangement was that she would invest the first instalment of capital in the UK to set up a joint research centre or curriculum development centre, and she would then provide the second instalment of capital and land resources to build a campus in China. The UK party would provide the University's licence and brand, the education system,

and the degree certificates. The running profit would be distributed between the two parties and part of it would be invested back in the UK to support research projects. We saw this as a win-win scenario, particularly since the client had a good reputation and strong motivation.

To ensure the success of the project, we provided consulting services and marketing activities, and engaged in three high-level meetings with prospective universities, according to the investor's requirements. However, when one of the universities asked her to sign a Memorandum of Understanding, she was unwilling to do so, not the first time that Chinese investors have reacted in this way. It is a major issue for inward FDI, which we need to understand and identify the factors that have influenced the decision-makers. In so doing, we should not only focus on investment promotion techniques but also, perhaps more importantly, on understanding the needs of investors. In conducting action-oriented research in my workplace I investigated and reviewed this case as a representative example, aimed at working out the problem and exploring the factors influencing the IPA's promotion practices, and also ways of improving our promotion performance as an IPA.

1.5 Three research questions

My organisation is a consulting-driven IPA, a private non-profit organisation and never applies for funding from any government agencies to supplement the service fees that our clients pay. The marketing team formulated a marketing strategy to promote our services and focus on international education programmes. However, I have recently found that not only the commercial environment had changed, but also clients' attitudes. Our line managers argued that perhaps we were unaware of these changes and of the factors which impacted on our Chinese clients. Most education businesses in China are under the control of central and local governments because they are among the main components of public services, but a small share of the education business is still open to private and international companies. Such corporations have to follow strictly the regulations of the Ministry of Education, central government and local governments. The challenges come from the Chinese

government regulations on outward investment, and the approval processes involve different authorities. It is extremely difficult to comply with the contracts with our Chinese business partners, due to differences in policy and regulations.

Although we made a substantial monetary investment in promoting our IPA services in the education sector, the result was not very encouraging. As a result, I am keen to generate actionable knowledge that will benefit my organisation and enhance my professional development by investigating three questions based on selected multi-case studies. My position as a Director of the company will enable me sustainably to implement the findings (i.e. to act at the organisational level). The study will also enhance my knowledge and the performance of my work role (i.e. to act at the individual level). In order to address the management problem discussed above, I find three main research questions, of which the first is the core:

- (1) What factors influence IPA promotion practice to attract inward FDI from the emerging market of China to the UK?
- (2) How can we improve our organisation's promotion of direct investment?
- (3) How can FDI from China to the UK be increased using IPA promotion practice and activities?

1.6 Action research applied throughout

This research concerns an action research-based enquiry based on my experiences as a marketing and operations director engaged in improving investment promotion performance and effectiveness in my workplace. This research adopts an action research approach that applies throughout the study. Figures 3.1 and 3.2 demonstrate that action research is applied in my study through a series of action spirals based on Coghlan and Brannick's (2014) four-stage empirical model of Action Research. The stages are a) constructing ("What is the issue?"); b) Planning Action ("What shall we do about it?"); c) Taking action ("We do it") and d) Evaluating the action ("What is the result of the intervention?"), then further constructing a new action cycle. Data have been collected and analysed using a range of qualitative approaches, namely,

Focus Group discussion, Interviews and Case studies. The theoretical framework consists of the selected theories, the "classical IPA tasks" and the Eclectic Paradigm (OLI Framework) of Dunning that underpin my thinking; then logically interpreting and applying them to the questions. The research used a qualitative methodology, an action research approach and a case studies method systematically to address the three research questions.

The research design consisted of two series of action research cycles: the first series involved four spiral action phases. In my practice as an internal action researcher, I used the focus group method to collect and analyse data. The second series of cycles used two case studies, CBBC and CCPIT, to explore the influential factors from an external research perspective. To complement the focus group data, I conducted interviews that were based on the three research questions. The external case study element of the research allowed for a third-person perspective (i.e. an industry-based view) that complemented my first-person view as the researcher and the second-person perspectives from my organisation on my action research as an insider (Hynes, 2012). The external case study also enhanced a robust research design by providing the chance to triangulate the findings of the internal component of the study (Hynes, 2012; Erfan and Torbert, 2015).

1.7 Thesis structure

This thesis consists of seven chapters: Chapter 1 is the introduction, Chapter 2 the Literature Review, Chapter 3 discusses Methodology, Chapter 4 the research design: action cycles and case studies, Chapter 5 is a discussion of the research and its outcomes, Chapter 6 contains reflections, and Chapter 7 concludes. The references and Appendices follow.

1.8 Chapter summary

In this chapter, I first introduced the background and rationale for the research and discussed its objectives. I examined my dual role as the partner in my organisation who was both practitioner and researcher. I went on to describe

the context of an investment promotion agency and the task of attracting inward FDI. Next, I set out the initial management problem and formulated three research questions, briefly introduced an applied research approach, and finally, described the thesis structure that shapes the research and the case method that is used to frame this part of the study, as discussed in Chapter 2.

Chapter2 Literature Review

2.1 Introduction

In this chapter, I report a literature-based review of the management problem and the three research questions: (1) what factors influence an IPA work to attract inward FDI from the emerging market of China to the UK? (2) How can we improve our organisation's IPA performance? (3) How can FDI from China to the UK be increased using IPA promotion practice and activities? Since I knew the problem and research questions before I read the literature, I was not looking for research gaps but for literature that would help to elucidate and address the research questions. I was aiming to generate practical rather than discipline-based knowledge. This does not mean that the review should be less than thorough, but its purpose would be different. In addressing the research questions, I studied the peer-reviewed literature on three core concepts: IPA, the practice of investment promotion and inward FDI attraction, focusing on their dimensions and the relationship between investment promotion and inward FDI (Wells and Wint, 1990, 2000; Dunning, 1977, 1988, 2001; Morisset, 2003; Morisset and Andrews-Johnson, 2004; Charlton and Davis, 2007; Timberlake, 1994; Jones and Wren, 2016). I also read reports and documents from typical investment promotion agencies all over the world (WAIPA, 2019; OECD, 2018; UNCTAD 2000, 2001, 2009, 2013; Liu 2005a, 2005b, 2008, 2015, MOFCOM, 2018; Buckley et al., 2008; Huang, 2005). In this literature review, FDI from the BRIC countries was also reviewed in order to enhance the scope of the research by including studies from other emerging countries and determining directions for future research (Andreff, 2014, 2016; Andreff and Balcet, 2015; Sauvart et al., 2010).

The literature review established a conceptual structure and theoretical framework. It also identified theoretical and empirical literature that could inform my action-oriented study. The array of available peer-reviewed academic and empirical findings provided alternative suggestions and directions for my research. The intent to review this specific theme from theoretical perspectives formed part of the literature review. I gathered existing knowledge on IPA

investment promotion performance and looked at the combination of external and internal drivers of influential factors that could result, starting with a brief exploration of the general term ‘the practice of investment promotion agency’ (Morisset, 2003; Morisset and Andrews-Johnson, 2004; Smith, 1956; Wells and Wint, 2000; Lim, 2008, 2018; Series, 2008).

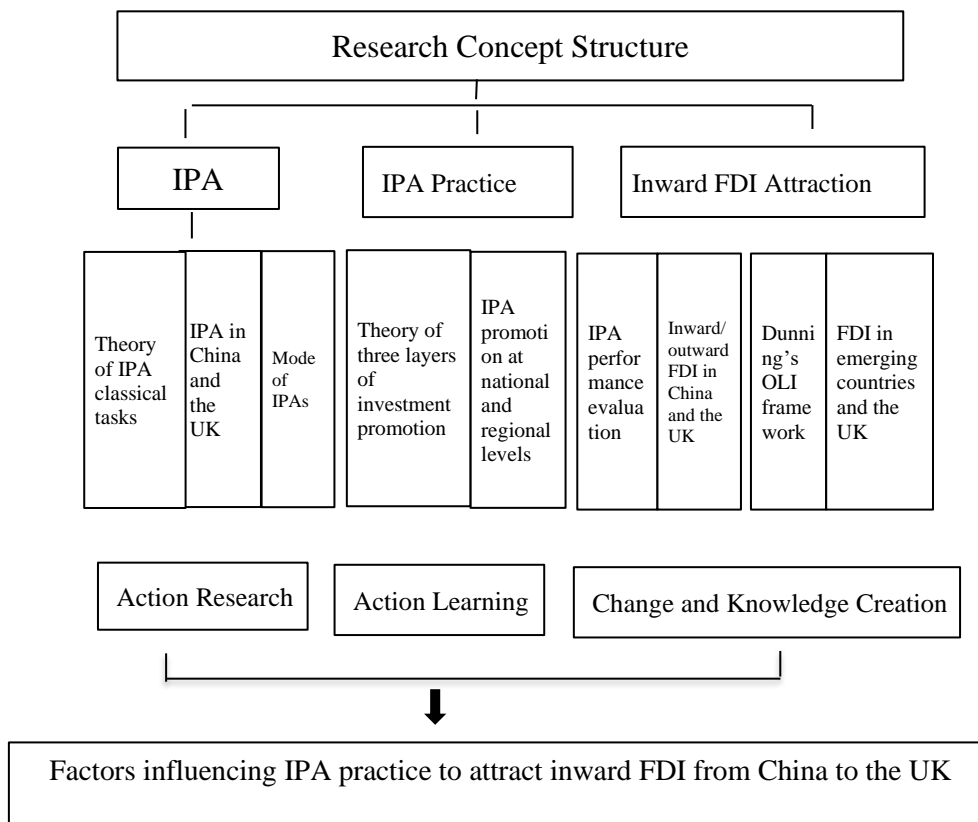
2.2 Literature search strategy and conceptual structure

A range of peer-reviewed literature was sourced from on-line databases accessed through the University of Liverpool. The databases included ProQuest, Emerald, Science Direct, Scopus, Google Scholar, CNKI, WANFANG, Chinese Research Data Services, and Baidu Scholar. While peer-reviewed academic articles formed the majority of the sources, I complemented these with some articles and commentaries from trade journals in English and Chinese.

Before commencing the literature review, I compiled a list of keywords to use as search criteria. The keywords were aligned to the aim of the research, the management problem and the research questions. Keywords included investment promotion agencies (IPA), IPAs’ promotion practice and Inward FDI attraction. They were linked with Boolean operators to form search criteria, for example, IPAs’ promotion AND Inward FDI.

I combined both the keywords and subject headings of the concepts identified in my literature search. This was particularly important for obtaining a systematic and in-depth review. Figure 2.1 shows the concept structure and represents the structure of my literature review chapter.

Figure 2.1 Research Concept Structure



In line with my research questions, the direction of my literature review can be seen in Figure 2.1, where the concept structure contains sufficient information to provide insights into the nature of conceptual representations and theories of conceptual knowledge. The three core layers of literature report the categories of research that are relevant to my investigation. The second layer of literature contains three categories: investment promotion agencies, IPA practice, and inward FDI attraction. I also illustrated the action research approach applied in the methodology in the fourth layer. In this research I did not discuss outward FDI from the UK to China, because it was not directly relevant to the study.

2.3 Overview of IPA

In Chapter1, I discussed the IPA concept and what joint and split IPA meant. In this section, I focus on reviewing IPAs' modes/status, IPAs in the UK and China, IPAs' function and classical task theory.

2.3.1. Modes/status of IPA

Investment promotion is considered a typically public function, although some tasks are usually handled by private organisations, for example, marketing (Wells and Wint, 2000, p.50). Wells and Wint (1990) and Wint (1992) and UNCTAD (1997) identified three organisational modes under which an IPA can operate, namely, governmental, as a quasi-government /autonomous public body and as a private agency. In 2000, UNCTAD added two more categories of organisational structure for IPAs: as a Joint Private-Public body or as something else (see Figure 2.2).

Governmental agencies

Wells and Wint (2000) discussed these agencies as being typically departments within the Ministry of Industry. Despite their varying forms their function is mainly to screen investment and negotiate with investors. For example, in the UK the body was UK Trade & Investment, replaced by the Department for International Trade in July 2016 (Trade, 2017); in China, it is the Investment Promotion Bureau of Commerce, part of the Ministry of Commerce (MOFCOM, 2018). Some IPAs have chosen to adopt a purely governmental structure – the “one-stop-shop approach” (UNCTAD, 1997, p.1). One of the main benefits of this structure is that it eases the access to other government departments and the fast tracking of the process of gaining investment approval, especially for those investment requests where speed and value are paramount. For example, Intel visited Costa Rica with a low level of expectation because of the general developmental limitations of tiny nations, but the Harvard-educated President and Minister of Foreign Trade was aware of the potential impact of Intel on the country’s growth. Consequently, he offered full support, promising to “do whatever was necessary”. This attitude resulted in Costa Rica’s climb to the top of the list of target countries. In addition, Spar (1998) showed that promotion is most effective when coordinated and led by government ministers at the highest level. He also revealed that the disadvantage of these agencies is that they often have insufficient business experience and lack enough human capital in management and marketing skills to operate effectively. These deficiencies affected IPA effectiveness

and functionality (Harding and Javorcik, 2011; Liu, 2015; UNCTAD, 1997). Morisset and Andrews-Johnson (2004) proposed that a similar "policy advocacy function" (p.28) is a critical component of enhancing investment. Regarding Chinese investment promotion agencies, Zhang et al. (2014, p.219) found that "bilateral senior visits improve the awareness of, or foster the positive sentiment toward, the investing country". Therefore, IPAs that have a governmental background create a friendly investment environment in which foreign companies can overcome the liabilities of foreignness.

Quasi-governmental/ Autonomous public agencies

A quasi-governmental agency, also called an autonomous public body, is one in which the function of investment promotion is adopted by an IPA organisation (Wells and Wint, 1990, 2000; UNCTAD, 1997). Due to the nature of investment promotion, many agencies have pleaded for more independent status so as to create a corporate culture by attracting staff from the private sector. According to the survey conducted by UNCTAD, about 20 per cent of IPAs have such independent status; hence, many quasi-government agencies conduct a flexible and relatively autonomous approach, with minimal political influence from successive governments (Harding and Javorcik, 2011; Liu, 2015; UNCTAD, 1997, 2001). ECORYS (2013) took Ireland's IDA as an example of this. It set up an independent Board of Directors but was financed by the Ministry of Industry. The advantage of this new structure is that the organisation can make and implement decisions smoothly and speedily and can benefit from the efficiencies of a private company, such as autonomy in cost control, and hiring and firing staff. It is considered that IPAs with a quasi-government status perform better than IPAs that are incorporated as part of a governmental body. It does seem as a result, that quasi-government agencies tend to provide a good balance between cost management and efficient performance. Success in fulfilling an investment promotion function requires a combination of the capacity to acquire skills and expertise from the private sector and good access to resources, funding, and the authority of the government (ECORYS, 2013; Wells and Wint, 2000; Morisset, Andrews-Johnson, 2004).

Private agencies

In some instances, investment promotion is carried on in wholly private organisations (UNCTAD, 1997, 2001; Wells and Wint, 1990, 2000). Private IPAs attracted talented employees because high salaries could be earned there without any influence from the state. In Turkey, for example, ESBAS, operating in the Aegean Free Zone is the first private sector IPA. The Aegean Free Zone contains 175 companies, and in 2017 generated a total trade volume of over four billion dollars and generated one-third of the employment in Turkey (ESBAS, 2018). The private IPAs in developed, developing and transitional countries represent a small amount of foreign direct investment, and are generally managed by governmental agencies around the world (Liu, 2015; UNCTAD, 2000). Dezan Shira and Association (DSA) is one of the largest FDI consulting and market entry private organisations in China and South East Asia. It has for decades been assisting businesses from the UK with its seven leading magazines producing hundreds of business intelligence articles, reports and guides. However, the organisation has not only struggled to maintain good working relations with government officials, but also faced financial pressure because the income generated from investment promotion usually did not cover its running costs. IPAs tend to need government funding to support them.

When we set up my organisation, CBBA, we recruited no full-time employees in 2009 because the income generated was insufficient to cover the start-up costs, especially those for international travel. Therefore, we developed partners and took on part-time employees for a few days a week, focusing on projects between China and the UK. This is a very common scenario among private agencies in the UK which exist without government funding. No representatives from the government are included on a typical board of directors. Wells and Wint (2000) argued that what private organisations lacked was access to government bodies, which was often essential in securing the necessary permits or resources. This is a disadvantage not shared by purely governmental and quasi-governmental organisations, for private agencies bear their own costs. In the UK, the British Chambers of Commerce (BCC) is the largest private IPA, with 52 accredited chambers altogether in the UK. It is

an independent business network and also a leading commentator on the UK economy (British Chambers, 2018). In contrast, China has no private IPAs because the government controls and regulates foreign currencies and foreign direct investment flows (Liu, 2015).

Joint public-private body for investment promotion

Some organisations have integrated functions where elements from both the public and private sectors contribute to the set-up (Harding and Javorcik, 2007; UNCTAD, 2001). The idea is that today's trends in investment and trade may challenge the traditional governmental thinking, but they give new opportunities to streamline methods of economic promotion. Therefore, the contribution from the private sector can be invaluable in all ways, including financial contributions and technical input, administrative input, contributions in overseas representatives and image building.

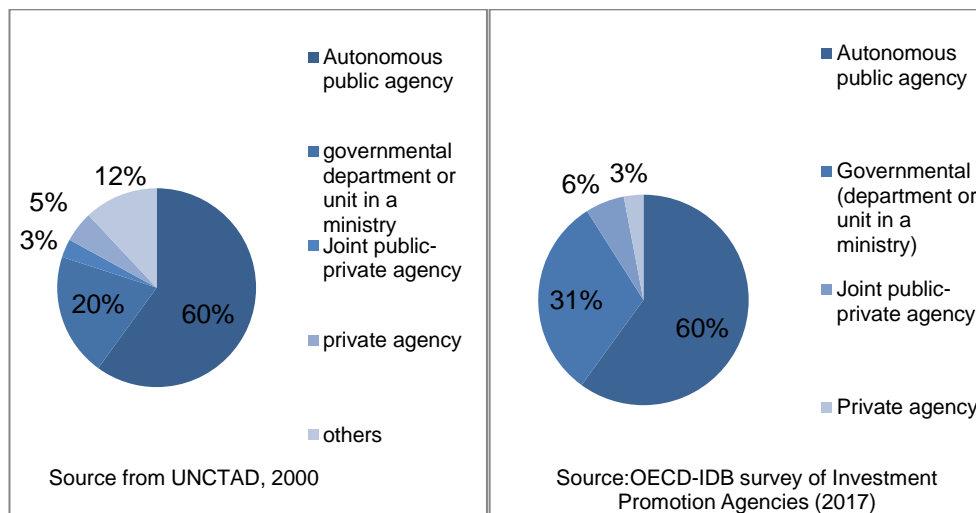
With public-private initiatives, the public face of the organisation can ensure linked governmental support, while the private representatives on the board often help to earn the organisation's credibility and visibility in the private sector. Examples from other countries show more variations in the adjustment of organisational functions (UNCTAD, 2013). In Sweden, the Swedish Trade and Invest Council (STIC) takes the form of a private non-profit organisation run by a public-private board. In the past, the Swedish government provided funding and also controlled investment promotion activities. Having learnt from the Danes, the Swedish funding model is diversifying its funding by mixed means and operating investment promotion as a private consultancy to self-generate part of the funding from local exporters (DIAE, 2013). Elsewhere, Czech Invest has established the Association for Foreign Investment (AFI) (UNCTAD, 2001). The new Association represents some companies that support the entry of FDI into the Czech Republic, by ensuring that foreign investors can enter local markets without disruption. The AFI has proven to be very successful in combining public with private representatives who all work with the same aim of ensuring the successful entry of foreign investors into the country (Capik, 2007). Joint public-private bodies exist at city level. In the UK, London and Partners ([londonandpartners](http://londonandpartners.com), 2018) is the official

promotion agency of the Mayor of London. The organisation aims to support the work of the Mayor and promote London internationally. This entity is a not-for-profit public-private partnership, with funding jointly provided by the Mayor of London and a network of commercial partners.

IPAs legal status over time could be changed

It is not surprising that nearly 80% of IPAs are part of government organisations, including 60% which are purely governmental and 20% which are autonomous public bodies (see Figure 2.2).

Figure 2.2 Organisational legal statuses of IPAs



Joint private-public partnerships, less than 3% of the total, mainly exist at the city level and private agencies form around 5% of it (UNCTAD, 2000). IPAs' status over time has, however, been changed by political interference. WAIPA's survey in 2017 reveals that in OECD most IPAs were government bodies (91%), responsible directly either to a ministry (31%) or were an autonomous public agency (60%), a joint private-public agency (6%) or a private IPA, around 3% of the total (WAIPA, 2019, p21).

Some countries advanced in IPA promotion have a different mix of IPA statuses. For example, the UK has all the different modes, but in China, only two legal statuses exist at present, governmental and autonomous public body, and there are no private IPAs.

2.3.2 IPAs in China and the UK

The government ministries/departments play major roles in large scale investment promotion between China and the UK. MOFCOM and DIT are playing leading roles as the government bodies in the two countries. Two of the oldest and largest Quasi-government-type IPAs, CBBC and CCPIT, take initial responsibility for bilateral investment promotion, respectively among others (Ambler et al., 2004; Liu, 2015).

2.3.2.1 MOFCOM policy towards IPAs in China

The Ministry of Commerce (MOFCOM) plays a leading role in outward FDI as the responsible government body. The China Investment Promotion Agency (CIPA) is part of the Ministry of Commerce of the PRC in charge of “Invest in” and “Go global” (Liu, 2015; Wang, 2011). Liu (2015) noted that the Chinese government, for the first time, officially announced the “Going Global” policy in 2000 to help enterprises in developing foreign markets, with state-owned companies acting as pioneers. In addition, provincial and municipal local governments have also developed corresponding policies. Focusing on outward FDI in the early stages, this support included reducing overseas investment insurance costs and project loans at low interest rates. Relevant departments and institutions for foreign exchange administration, taxation and finance, among other things, also provide support for foreign currency exchange, foreign income taxation and capital financing related to enterprises’ outward investment. In 2002, Chinese companies’ outward FDI was 2.4 billion US dollars, while before 2002 the cumulative foreign investment totalled 70 billion US dollars. However, China’s outward FDI in 2003 entered a phase of rapid development reaching 35 billion US dollars, and these sums reflect the pace of China’s global capital (MOFCOME 2010, 2015; Huang 2004-2006, 2005-2006). MOFCOM (2015) stated that after a decade of development China would actively promote a new “One Belt, One Road” strategy to increase outbound FDI in 2014, cooperating with more than 60 countries and regions through the direct investment of 13.7 billion US dollars in road building. In the same year outward FDI was close to the same level of inward investment. The associated taxes paid to the host country totalled 19.2

billion US dollars and FDI led to the creation of 1.86 million jobs. China's enterprises have also established 75 foreign economic and trade cooperation zones (CAITEC, 2017). Outflows of FDI from Asian developing countries rose by 7 per cent to \$363 billion. This was primarily due to cross-border mergers and acquisitions by Chinese corporates. In contrast, outflows from South Asia and ASEAN declined substantially.

2.3.2.2 DIT policy towards IPAs in the UK

The Department of International Trade (DIT) is the main body supporting export and inward investment'; it provides services to over 170 markets throughout the world. The DIT publishes inward investment results every tax year in the UK (Trade, 2017). The department was originally the Invest in Britain Bureau (IBB) established in 1977, which in 2000 was renamed Invest UK. Later in October 2003, when it merged with the trade function, it changed to UK Trade and Investment (Dreyhaupt, 2006). Its present name is DIT. It gathers information about investing in the UK, including sectors such as the automotive industry, creative industries, energy, financial and professional services, life sciences and technology. The UK Advisory Network is convened by the DIT to provide an accessible route to high quality and trusted professional support for foreign investors setting up in the UK (Jones and Wren, 2016).

2.3.2.3 Typical IPA in the UK- the CBBC

The history of the China Britain Business Association dates back to the 1950s when British companies started to trade with communist China after the Second World War (Timberlake, 1994). In 1953, 16 British companies signed the first business arrangement with their Chinese counterparts, representing the first "Icebreaker Mission" which was successfully implemented. In 1954 the Icebreaker group expanded, increasing the number of its British companies to mark the formation of the 48 Group. This created a semi-official Sino-British Trade Committee (SBTC), which was later renamed the Sino-British Trade Council. In 1991, further progress was made at the prompting of the UK Department of Trade and Industry, when the 48 Group merged with the

Sino-British Trade Council to form the China-Britain Trade Group (CBTG). CBTG's membership grew rapidly and in 1998 it changed its name to the China Britain Business Council, reflecting the growing diversity of the organisation's promotion of trade, business, and investment between China and the UK (Reuvid, 2004; Reuvid and Yong, 2006). From 1964, the China-Britain Business Council started to publish the journal 'China-Britain Business Review', which provides British companies with valuable information and helps them do business with China (CBBC, 2016, 2018).

Now with 60 years' experience, the CBBC plays a crucial role in promoting trade and investment between China and the UK. CBBC currently has 26 offices located in two countries, 11 in the UK and 15 in China. Over 1,000 businesses from both the UK and China have gained membership. CBBC also jointly operates with the British Chamber of Commerce in China to support businesses of various sizes and sectors, from multinationals to small and medium-sized enterprises (SMEs), from the education sector to hi-tech. CBBC provides a wide range of services to its members, organising a broad range of events, providing tailored marketing research and consultative services. CBBC cooperates closely with the government to highlight export and outward/inward investment opportunities for UK companies (Great Britain: Parliament: House of Commons: Foreign Affairs Committee, 2005-2006).

2.3.2.4 Double identity of Chinese IPA -CCPIT

Liu (2015; 2005a; 2008) is one of the leading Chinese authors focusing on trade and investment promotion and studies of trade-promoting organisations. He has explored the history of the China Council for the Promotion of International Trade (CCPIT) and its role in investment and trade promotion. CCPIT was established in May 1952, not long after the Cold War commenced. During the Cold War, like other Socialist countries (the former Soviet Union, countries of Eastern Europe, Cuba, Mongolia, Vietnam and North Korea), China did not conduct fully established foreign relations with Western countries or interactions with their governments. Against this backdrop, it was more effective for a state investment-promotion organisation to adopt

the persona of a business association when conducting activities with other nationals. At the same time, China was unable in the early stages of its economy to set up private organisations in the true sense. Therefore, the trade and investment promotion organisations, from their earliest days, adopted the unique feature of “one organisation, two identities”. On the one hand, the organisation had local certificates and responsibilities such as international commercial arbitration. On the other, when faced with its international counterparts, the organisation was to promote an image of the new China to the world and develop relationships with both the governments and civilisations of the West (CCPIT, 2018).

In 1971, China regained its seat in the United Nations and established relations with many countries in succession (Liu, 2015). China maintained the approach of combining public with private in its overseas investment and trade. In 1979, it adopted an open-door policy, where the scope of work undertaken by CCPIT continued to expand and was transferred to foreign trade, foreign investment, the introduction of advanced foreign technology and various forms of economic and technological cooperation between China and other countries (Wang, 2011; CCPIT, 2016).

In June 1988, with the approval of the Chinese government, CCPIT established the China Chamber of International Commerce (CCOIC). All its local branches and sub-branches were established to provide information, consultation and legal services to its corporate members, linking the government to the role of enterprise and the expansion of members’ businesses and other economic entities that provided services (Liu, 2015). In November 1994, the International Chamber of Commerce resolved at its 168th board meeting that China should join the International Chamber of Commerce and establish ICC China. This entity was set up on January 1, 1995, in Beijing, and included 171 industrial organisations, trade organisations and enterprises as its original members, the China Chamber of International Commerce (CCIC) being the chair. The administrative body was set up, making the CCIC responsible for overall administration. It has 19 overseas offices, one of which is in the UK (Huang, 2005-2006; Wang 2011; CCPIT, 2016).

2.3.3 Core theory of IPA - "classical IPA tasks"

Wells and Wint (1990) defined the three key activities of IPAs as Investor facilitation services, Image building and Investment generation. These activities are also called the "classical IPA tasks" (Cass 2007). During the past decade's development and globalisation, most countries have set up IPAs, and Wells and Wint (2000) added one more significant function, a fourth task which they named "policy advocacy". Policy advocacy is a critical component of enhancing investment; it traditionally involves IPAs and public and private sector groups (Wells and Wint, 2000, p.vii). Similarly, Morisset and Andrews-Johnson (2004, p.7) also discussed the impact of governmental policy on investment climates. Lu (2007), discussing the theories and models of investment promotion in China showed that the regulations have played a significant role in promoting FDI. Subsequently, UNCTAD (2009) evaluated the relevant policies and regulations for investment promotion of the G20 member countries, among which the evaluation of relevant investment promotion policies and measures in China is the most comprehensive. To promote a country as an attractive investment destination, IPAs carry out various comprehensive marketing and facilitation activities and specific objectives based on four core functions, as shown in Table 2.1 below:

Table 2.1 IPAs' four core functions

	Image building	Investment generation	Investment facilitation and retention	Policy advocacy
Main objective	Create awareness and generate positive feelings about a country as investment destination	Reach out to foreign investors and convince them to locate their investment in the host country	Facilitate the implementation of investment projects, maximise their economic benefits and generate follow-up investments	Monitor foreign investors' perception of the host country's investment climate and propose changes to improve the investment policy
Examples of activities	<ul style="list-style-type: none"> • Marketing plans • Media campaigns • Website • Brochures • General communications and public relations (PR) events 	<ul style="list-style-type: none"> • Meetings with foreign investors • Reaching-out campaigns • Targeted communication and PR events (sector-specific or investor-specific) 	<ul style="list-style-type: none"> • Provision of information • Site visits • Administrative support (including one-stop-shop services) • MNE-SME linkage programmes 	<ul style="list-style-type: none"> • Global rankings • Surveys of foreign investors and industry associations • Policy impact assessment • Meetings with the government

Sourced from the mapping of investment promotion agencies in OECD countries (OECD, 2018)

The way in which IPAs allocate resources across the four core functions of investment promotion differs from one agency to another, depending on its budget and staff. Although there is no clear connection between budget size and increased resources to an individual function, allocations in the total budget will more probably be spread across different functions than allocated to any one of them (OECD, 2018).

2.4 IPA investment promotion

Investment promotion is usually targeted at individual countries, sectors, industries and even corporations. In the empirical research on practical aspects of investment promotion, Wells and Wint (2000) described investment promotion as "promotional activities" or "promotional techniques". They used a cross-sectional data model of 18 industrialised countries and 32 developing countries to set budgets as variables of IPAs. The results show that investment promotion has the greatest impact on FDI in market growth, the balance of payments, inflation and political stability, etc. Similarly, Morisset and Andrews-Johnson (2004) used cross-country/cross-sectional data from 58 countries to show that the establishment of an investment promotion agency could lead to higher FDI. The effect of an investment promotion agency depends on the country's business environment. Each function of the investment promotion agency has an impact on FDI flows with the policy advice function appearing to have the most significant impact, especially in unstable countries, where it improves the investment climate.

2.4.1 Three layers of investment promotion: strategic, tactical, and operational

Three layers of investment promotion that have been discussed in conjunction with IPA agencies' practice are the Strategic, Tactical, and Operational layers (ECORYS, 2013). Potential stakeholders need to provide much more specific or "bespoke" services. In many FDI projects, the investor is the main decision-maker and IPA does not get involved in the decision process. The challenge is to manage the expectations and requirements of each party. Potential stakeholders view the host country from a business perspective and ask how

the host country and location can contribute to their own strategic long-term goals. Meanwhile, the host country and location consider the investors from a regional development perspective and ask how the potential investors can contribute economically in the region. The three layers of investment promotion (see Figure 2.3) are useful for showing how to improve a promotion agency's performance and provide services to investors more effectively and efficiently. They also provide the theoretical framework for addressing the second research question.

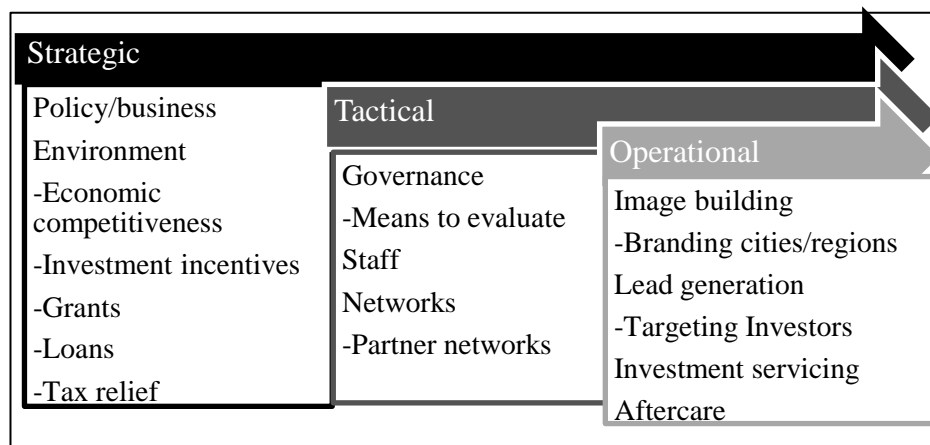


Figure 2.3 Three Layers of Investment Promotion (Source from ECORYS, 2013, p.24)

The speed of change in the home and host countries brings particular challenges for both researchers and practitioners. In the strategic layer, there are two elements for consideration: the policy/business environment and investor incentives. IPAs generally felt that they were influential in the policy-making process: they engage in so-called policy advocacy, participating in policy discussions and policy paper lobbying for national or regional governments. The incentives for potential investors offered by the various tiers of government can be sub-divided into three elements as in Figure 2.3. The effect of investor incentives on IPA promotion depends on the particular type of FDI required, whether it is used for marketing seeking, efficiency seeking, resource seeking or strategic asset seeking.

In the tactical layer, the means of evaluation is a key component, and also a powerful driver for an IPA. An agency's performance is measured by the jobs

created, the amount of investment or some other combination of indicators.

In the operational layer the main research divides operational activities into four categories, as illustrated in Figure 2.3. Targeting investors and sectors is the key to creating investment leads. At the operational level, managing and operating the IPA as a consultancy-driven service, I found a positive match between FDI inflows and running an IPA as a consultancy agency that focused on investors' needs. This suggests that the nature of lead generation by the most successful IPAs has evolved in a more and more refined and specific direction. One of the latest trends is for IPAs to target 'upstream' start-up companies which they identify as having global potential and worth nurturing so as to influence the planning of their location intentions once they begin to undertake international activities.

2.4.2 Investment promotion coordinates at national and regional levels

This part of the literature review was added after the completion of interviews. Senior members from CBBC and CCPIT emphasised that regional development strategy is one of the key factors influencing investment promotion. Loewendahl (2001) argued that investment promotion needs to be coordinated at national and regional levels. Likewise, Liu (2005b) found that a large country has often developed a network of sub-national IPAs, which promotes regions, provinces or the image of cities to attract targeted industry for foreign direct investment. According to UNCTAD (2013), around one-third of the IPAs surveyed replied that they had set up a network of sub-national investment promotion branches in their country. Sub-national IPAs were usually autonomous agencies and not subsidiaries of the national agencies. National IPAs often took coordinating roles to avoid needless competition and to direct investors to local agencies (Jones and Wren, 2016). Due to the size of countries and the difference between the needs for inward FDI promotion in different regions, no single IPA structure could fit all circumstances, and this made planning and implementation of investment promotion even more challenging (Liu, 2015; UNCTAD, 2013).

Regional agencies within a country are often competing for the same investment projects (Jones and Wren, 2016; Oman, 1999). Therefore, it is essential to have effective coordination between agencies to avoid unnecessary competition and the duplication of effort and resources. This issue affects many countries, especially China. Loewendahl (2001) and Liu (2015) found that some national IPAs asked regional agencies to “buy-in” in order to target sectors so that investment promotion was integrated at regional and national levels. In these circumstances marketing costs were shared.

Liu (2015) and Huang (2001) analysed China’s national and sub-national investment promotion agencies and concluded that the quasi-government-type was more suitable for China’s current condition. The researchers suggested that this type should be continued at national and provincial levels. However, at county and city levels it is complicated because of specific regional circumstances. Agencies could choose a government or quasi-government structure or even private-sector participation at a lower level in quasi-government investment promotion agencies, to encourage promotion in remote and backward areas. Moreover, China nowadays has similar problems to other countries with inadequate communication and coordination mechanisms between their central and regional investment promotion agencies.

In addition, Oman (1999) and Jones and Wren (2016) explored IPAs from different standpoints, suggesting that investment promotion needs to be coordinated at national and regional levels because regional agencies within a country often compete for the same investment projects. In recent years studies of IPA by academics and practitioners have shifted the focus to more practical investment promotion techniques, activities and project management, the digital era and sustainable development (UNCTAD 2014-2017). Further discussion of the organisational mode was been neglected until the start of the 21st century, by which time most countries had established investment promotion agencies of interest.

2.5 Inward FDI attraction and the effectiveness of IPA practice and activities

It is widely accepted by home and host countries that the level of FDI attraction is substantially affected by IPA promotion. Wells and Wint (2000) conducted empirical tests and concluded that inward FDI could rise by 2.5% if the investment promotion budget increased by 10%. Harding and Javorcik (2011) found similarly that a positive relationship exists between IPA promotion and success in FDI attraction: one dollar spent on investment promotion increases FDI inflows by 189 dollars. However, UNCTAD as a leading organisation in the IPA research and practice field is concerned about the need to overcome social and technical barriers for effective evaluation. This driving force came from both external stakeholders such as funding agencies or donors, and the internal requests of the executives (Series 2008).

2.5.1 Eclectic Paradigm (OLI Framework) of Dunning

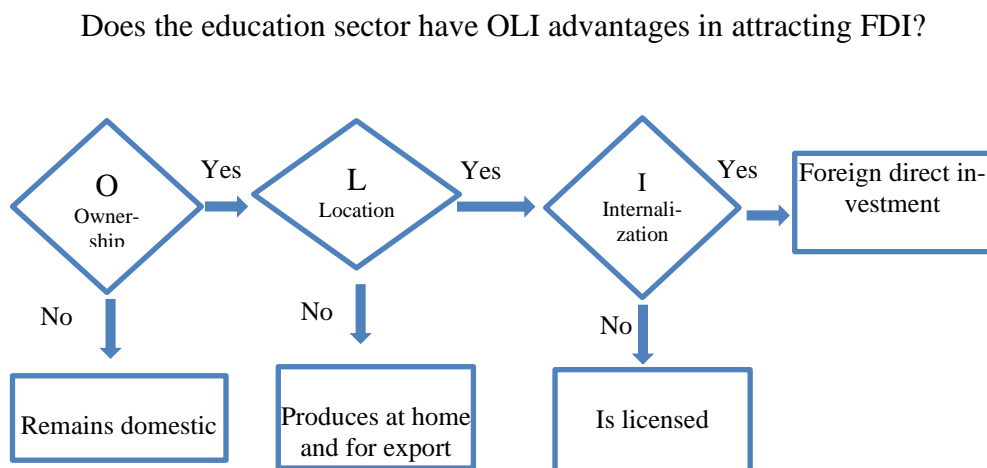
In the first chapter, I gave the original definition of inward FDI by the OECD (2008, 1996). FDI has attracted considerable attention from academic researchers, and practitioners in government foreign investment and international business. The research on the motivations underlying FDI in a host country was further developed by Dunning (1996, p56, 2001), who classified it under four main types: (1) resource seeking (gaining access to natural resources); (2) market seeking (seeking to penetrate new markets); (3) efficiency seeking (gaining efficiency in international production); and (4) strategic asset seeking (a long-term strategy which may take the form of mergers and acquisitions). Moreover, recent empirical evidence suggests that FDI may lead to positive productivity spillovers to local firms. Some authors treated FDI and multinational enterprises as one and the same (Levy and Prakash, 2003), while some argued that FDI is just one of the activities of multinational enterprises.

Theoretical studies on FDI from both the micro and macro levels highlight its economic mechanism. Dunning and Lundan (2010) summarised theories of FDI, of which they found four leading examples: (1) Production Cycle

Theory of Vernon (1979) ; (2) The Eclectic Paradigm of Dunning (1988, 1977; 1981); (3) The Internalisation Theory (Buckley and Casson, 1976; 1998); and (4) The Theory of Exchange Rates on Imperfect Capital Markets (Cushman, 1985; Itagaki, 1981). In the following section I focus on the Eclectic Paradigm of Dunning because it enlarges the theoretical framework by including the characteristics of both home and host countries as international explanatory factors, based on the other three paradigms.

The OLI paradigm (combining the advantages of Ownership, Location and Internalisation) is a mix of various theories of foreign direct investment. The British economist Dunning is recognised as influential in this field. Dunning (1988, 1977, 1981) developed the Eclectic Paradigm comprehensive framework which incorporates ownership, location, and internalisation advantages (I). It is one of the first rigorous efforts to understand the elements that drive an MNE from one home country to invest in other (host) countries. There are three main components of the Eclectic Paradigm. Figure 2.4 shows the how Dunning's OLI framework works for FDI attraction in the education sector in the present research.

Figure 2.4



Source: (Dunning, 2001)

“O” stands for ownership with specific advantages: (1) Monopolies in the form of privileged access to markets through the possession of limited natural

resources, intellectual property, or trademarks; (2) Technology, knowledge considered to include all forms of innovation activities; c) Economies of huge size, for example, economies of learning, of scale and scope, or of superior access to financial capital. In my case, British education trademarks and intellectual property are very important factors in attracting inward FDI from Chinese investors.

“L” represents location-specific advantages. The location advantages of each country can be sub-divided into three categories: Economic advantages, Political advantages, and Social and cultural advantages. In my case, the UK is the destination for the third-largest number of international students, just behind the USA and Australia; the social and cultural advantages are key factors in attracting investment from H group, including the geographic distances, language and cultural diversity.

“I” stands for the advantage of an internalised incentive. This advantage is related to FDI based on the capacity to replace outside market affiliations by enterprises owning, controlling, and managing activities in many countries. Internalisation is essential since global market transactions entail significant imperfections. In Chapter 4, below, two action research cycles provide more details on Dunning’s OLI framework as it promotes the attraction of FDI in the education sector.

2.5.2 Inward FDI from China to the UK

China’s investment in the UK supports a prosperous economy. According to China Daily, China’s investment in the UK created more than 80,000 jobs, and a combined turnover £68 billion in 2018 (2019, 27 Feb, p.2 China Daily). Chinese investment in the UK continues to make an important contribution to the UK economy. The literature distinguishes three stages in the development of Chinese Outward FDI. It began with the "open door" policy in the late 1970s and initially was very limited in scale. All of the outward FDI was made by state-owned enterprises (Buckley et al., 2008). China’s government instigated the “Go global” strategy in 1999 after Deng Xiaoping’s journey to

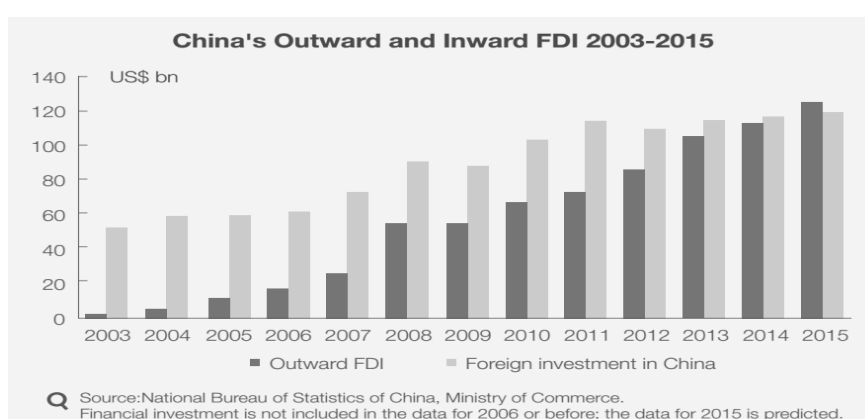
South China, and at this point China's outward FDI increased significantly, accelerating after it joined the World Trade Organisation (WTO) in 2001 (Child and Rodrigues, 2005). The number of private companies actively investing abroad has shown a remarkable increase, which was followed by President Xin proposing the One Belt One Road+ Belt and Road Initiative in 2013 (Voss, 2011). China is gradually shifting; it no longer wants to attract inward foreign investment but instead promotes outgoing foreign direct investment (Li, 2016; Yao and Li, 2011).

Yao and Li (2011)'s research found that global direct foreign investment in 2008 was dominated by the developed economies. The proportion of global FDI flows and stocks in developed economies was 81% and 84%, respectively (p.128). Foreign direct investment activities in developed economies fall into two main categories: horizontal and vertical investment. The motivation for horizontal investment is to avoid the high cost of exports through the same type of business operations in a foreign country as those operating the home country. The motivation for vertical investment is mainly to use the differences in resource endowments and prices between countries to spread production procedures to other countries so as to reduce production costs and obtain greater profits. However, horizontal and vertical investment cannot fully reflect the main characteristics of China's current foreign direct investment. China's FDI growth path is different from that of some developing and developed countries because China's outward investment is more favourable to extending the value chain. Due to the "double surplus" (see p.131) of excess savings and foreign exchange surpluses, China's foreign direct investment is mainly concentrated in three areas: foreign resources and energy, market services, and advanced manufacturing companies. It will not escape the high cost of exports, nor will it avoid vertical investment in decentralised production. Instead, it has the characteristics of expanding production and value chains through FDI and overseas mergers and acquisitions.

In the past five years, foreign investment cooperation has achieved significant results. The flow from China of outward foreign direct investment has leapt to second highest in the world. In Figure 2.4, China's outward FDI and

foreign investment during 2003-2015 is illustrated. It shows that outward FDI overtook inward FDI for the first time in 2015. Outward FDI has played a decisive role and led to the following achievements: (1) Expanding imports and exports; (2) Fostering the competitive advantages, quality and efficiency of enterprises; (3) Promoting industrial transformation and upgrading; (4) Deepening China's economic and trade relations with host countries, mutual benefits and win-win transactons; (5) The status of major countries in foreign contractual projects has been consolidated; and (6) The construction of overseas trade regions and economic negotiations has attained significant results, enhancing the degree to which China is open to the outside world (MOFCOM, 2018).

Figure 2.5 China's Outward and Inward FDI 2003-2015



Source: National Bureau of Statistics of China, Ministry of Commerce (2018)

At the end of 2017, China's enterprises had established 99 large-scale overseas economic and trade cooperation zones in 44 countries, cumulatively invested 30.7 billion US dollars, entered 4364 enterprises in the zone, paid the host countries taxes and fees of over 2.42 billion US dollars, and created 258,000 jobs for local communities (MOFCOM, 2018).

As the biggest international trade and investment committee funded by the Chinese government, CCPIT develops business cooperation and exchanges with foreign countries. Over the past two decades, a rising number of

experienced Chinese investment companies has entered the global market and played a major role in global investment – some even predict that Chinese funds will dominate the global market in the near future (MOFCOM, 2017). CCPIT works with “Going Global” and the “Belt and Road Initiative”, and Chinese companies support their outbound investments in key fields, including market knowledge, transaction efficiency, and risk control, which together enable more Chinese companies to go global successfully. When global OFDI flows from Western countries temporarily halted between 2008 and 2009, this had a strong negative impact on global FDI flow, and the growing OFDI from emerging markets, in particular, raised the question of whether these OFDIs made any fundamental difference to the developed countries, including France and Germany (Sauvant et al., 2010). In fact, the USA-Japan and UK-China relationships are in some ways similar and Japan and China comprise the largest source of outward foreign direct investment into the United States and the UK respectively, creating new jobs for the host countries, and bringing innovative R&D to different industrial sectors. The acceleration of China's economic restructuring and the release of the reform bonus imply that the scale of foreign direct investment will exceed the scale of foreign investment that is attracted. The power of Chinese capital has become increasingly significant in the world market and this will help us to understand why OFDI from China is vital to the UK's economy (MOFCOM, 2015). As a reliable accounting and auditing resource about FDI flows, EY reported: “The UK received net FDI inflows of £44 billion (USD 72 billion) in 2014 – representing one-third of the total European Union inflows and making the UK the Number 1 destination in Europe, despite a reduction in global FDI flows by 11% in 2014, and a 16% reduction in European FDI” (EY, 2015, p.2).

2.5.3 Promote and facilitate inward FDI in the education sector

The literature on IPA and FDI in education is limited partly because there is less FDI in education than in other sectors of the economy; it accounts for less than 0.1 per cent in the service sector. Efficiency seeking and resource seeking FDI demands low-cost unskilled or semi-skilled labour, whereas

education, particularly higher education, demands qualified academic teams that many developing countries lack. This category of FDI motivation is strategic asset seeking. Therefore, FDI in education is limited but growing in developed countries and in developing and transition economies, though most of it is invested in developed countries. This trend is likely to continue, given the expansion of education (OECD, 2019; UNCTAD, 2003; Patrino et al., 2009).

Gittens (2006) argued that the impact of FDI in the education sector depended on the sample of countries. The governments of China, India and Vietnam have encouraged education providers to help meet the growing demand for education (Borja, 2003). Although the Indian government has allowed for 100% FDI in the education sector, hardly any investment has been made there, the primary issue being that investment has to be made through a not-for-profit body, but the nature of such a body would preclude the distribution of any returns on the investment. Furthermore, the high number of regulations, along with the need to obtain approvals, has obstructed investors' confidence in investing in the education sector (OECD, 2019; Mughal and Vechiu, 2011).

Britain's education sector is still a significant contributor to the UK economy. According to a report from the Department of Education, the education sector in 2017 generated around £20bn through exports, which included income from foreign students and English language training overseas. This comprised £13.4bn for higher education, £1.9bn for transitional education, £1.9bn for education products and services and £0.9bn for English language training courses and independent schools (GOV.UK, 2019). Truly excellent research in UK universities has attracted much corporate R&D investment. The education sector in the UK has a great reputation for its first-class quality with both renowned research-intensive institutions and world-leading specialisations. Universities and business networks are creating investable opportunities. The UK's brands in education tend powerfully to attract foreign investments. Yet there are a few more steps that IPAs could take to promote FDI in education, for example, providing information on investment opportunities,

regulatory frameworks and setting up the promotion of education as a target investment sector.

2.5.4 The important role that emerging countries play in the UK's in-flow of FDI

The traditional trend of a one-way flow of FDI from developed economies to developing countries has changed with the growth in multinational corporations in emerging markets (Sauvant et al., 2010). Nowadays, FDI in emerging markets accounts for an increasing proportion of global FDI flows. According to the UNCTAD 2015 report, by 2013 companies in emerging market had accounted for approximately 38% of global FDI flows. One illustration of this is that China is now heavily engaged in FDI abroad in areas such as natural resource security (Zweig and Bi, 2005). It is also true that emerging markets in the current global climate have been found an increasingly important source of FDI for developed countries, and policymakers from both developed and developing economies are seeking to attract their share.

Although inward FDI from emerging economies plays a positive role in developed countries, host countries have some opportunities to coordinate the inflow. A few multinational enterprises from emerging economies have accelerated to become global leaders in a number of industries, particularly from China, India, Brazil and Russia.

Andreff (2016, 2014; Andreff and Balcet, 2015) are the leading authors in studying outward FDI from emerging economies. They discussed the similarities between outward FDI among the BRIC countries. The first similarity is primarily the adoption of a market seeking strategy. The second is preferring mergers and acquisitions to greenfield investment, particularly investment in technological assets from developed countries. The third characteristic is that multinational corporations (MNC) from BRIC countries investing abroad seek resources in the primary sector. The expansion of MNCs from BRICs has been eased in the past decade by the home governments' foreign reserve accumulation.

Outward FDI from each BRIC country tends to be specific. Andreff (2014, 2016) found a wide difference between the two pairs of countries; government support for outward FDI promotion in Brazil-India cannot compare with that in Russia-China, where outward FDI is used as a strategy for foreign policy and diplomacy. Outward FDI promotion in China is even more institutionalised and structured than in Russia.

China and India have experienced rapidly rising outward FDI since 2010, but have unbalanced economic linkages with a large trade deficit in favour of China. The relationship between these two emerging economies is controversial, exhibiting both competition and cooperation. India has planned a “Spice Route” centred on the Indian Ocean, but has yet to signed on to China’s BIR because of its concerns over the China Pakistan Economic Corridor and the Maritime Silk Road.

Van Tulder (2010) applied the existing theoretical approach to emerging market Outward FDIs. He concluded that emerging countries could benefit by adjusting existing approaches and by such studies as the OLI framework of Dunning and the associated idea of the investment development path. Van Tulder went so far as to suggest that emerging market MNEs were so diverse that searching for a unified theory was not advisable. However, the BRIC countries are suited to a separate theoretical approach. He identified and examined four components of regeneration: the relationship with the home country government, the significance of market power in the domestic market, a reassessment of the influence of economic size and its relationship with political power, and a reassessment of the general theory of the firm.

The difference between investment in developed and developing countries is that, while investments in developed markets usually have the aim of gaining knowledge and access to technology, research and expertise, the investor in developing countries is often seeking markets and resources (Kedia et al., 2012; Malik and Agarwal, 2012). In many cases of investment into developed countries, productive operations in these projects are still retained domestically, especially in low-tech countries.

Figure 2.6 the Rise of Emerging Market Outward FDI

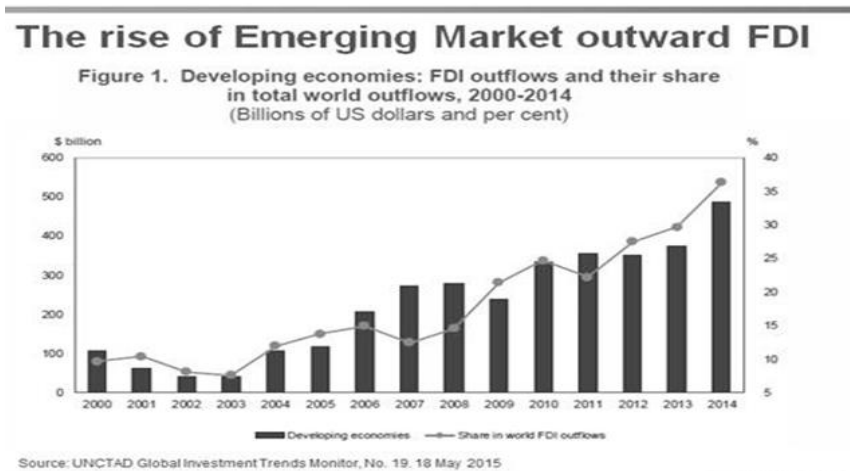


Figure 2.6 shows that the outward FDI from emerging economies had particularly marked growth rates of roughly 82% on average after 2003, reaching around US\$351 billion in 2008. According to the Organisation for Economic Co-operation and Development (OECD, 2016), net FDI inflows increased by more than 50% in the UK between 2014 and 2015. The USA, investing in 570 projects, remained the UK's top single source of inward FDI, followed by China including Hong Kong, with 156, and India with 140 (GOVUK, 2016). There is no doubt that emerging countries such as China and India play important roles in the UK's inflow of FDI.

2.5.5 What factors have determined the effectiveness of IPA practice and activities?

IPA performance evaluation is a popular research topic and provides evidence for my second research question: How can we improve our organisation performance as an IPA? IPA evaluation faces challenges because the performance depends on some issues that are beyond its capacity. Some IPAs lack the capacity to register all evaluation factors and possess no standard format developed to evaluate performance. Others may fall short of funding to carry out effective evaluation. Evaluation contends with four main issues: “institutional and contextual factors, practical matters, organisational challenges,

and conceptual issues” (Series, 2008, p.14). My challenge falls within the practical matters.

Evaluation is complex. The dominant method for research into the effectiveness of investment promotion is quantitative research. Empirical cross-country tests and surveys have been conducted by leading authors in the IPA research field. Wells and Wint (1990) were the first to question the effectiveness of generating FDI based upon whether or not the host countries set up overseas promotional branches in America. Another large-sample empirical study was conducted by Head et al. (1999). However, it was not directly focused on analysing the relationship between FDI inflows and the role of various IPAs. The regression analysis in this case considered the impact of an investment promotion office in Japan on attracting possible Japanese investors to specific states of the US, based on 225 investments made in the US by Japanese companies. Using an empirical analysis with a dummy variable signifying which American states had representative offices in Japan, the findings showed no noteworthy effect from the investment promotion offices in Japan.

In 2002, Wint and Williams proposed a proxy of IPA in a Delphi-like research method, where the effectiveness of investment promotion was factored through calculating the promotional variables based on questionnaires sent to ten promotional experts around the world. However, the investigation results indicated that the proxy of IPA did not have a statistically significant impact on FDI inflows and outflows. In other empirical cross-country tests conducted by Morisset and Andrews-Johnson in 2004, the researchers used data from a survey of 58 IPAs, concluding there was a positive connection between average spending by IPAs and FDI attraction, and that the result was associated with such influential factors as the investment climates and size of the markets. The authors also noted that policy advocacy, among four essential functions, was most significantly associated with attracting investment.

Gabriel (2005) used cross-sectional data and input-output models of 22 national IPAs in 2001 and 29 national IPAs in 2004 to set budgets as proxy

variables for investment promotion. The results showed that the use of data envelopment analysis results pointed to investment promotion being effective, and that most of the efficient investment promotion agencies were from developing countries. For example, of 18 efficient investment promotion agencies in 2001, only two industrial countries were involved, whereas in 2004, 24 efficient investments were made. Among the promotion agencies, only four were industrial countries. IPAs should focus on the two types of activities that shape core competencies – investment generation and investor services. In addition to increasing institutional budgetary funds, efficient investment promotion agencies mainly focus on improving skills in distinguishing and supporting investors. Charlton and Davis's (2007) study was based on industry-level data on FDI inflows into 19 industries in 22 OECD countries between 1990 and 2001, combined with information on targeted industries collected through a survey of IPAs. Using propensity score matching and the difference-in-differences specification, the authors found that the targeting of an industry increased the growth rate of FDI inflows into that industry by 41 per cent.

Lim (2008, 2018) argued that three main variables impact on IPAs' effectiveness: resources (experience, staff members, particularly overseas staff), service functions (combining the service of promoting inward investment and trade, including inward and outward investment), and organisational structure (the autonomous status of private/upper ministry-level IPAs). Lim's research results also demonstrated a positive relationship between IPA performance and longer experience, larger staff, more overseas IPA staff members, autonomous types of private agency, and upper ministry level IPAs. However, he revealed that IPA performance was negatively related to the joint promotional services of inward investment and trade, and inward and outward investment. The author concluded that IPA effectiveness could be improved through adjusting the service functions and restructuring governance and structure.

From the above analysis, we can see that research on the role of investment promotion agencies on FDI mainly focuses on the impact of the budget, functions, costs, and the business environment. Scholars in China studying

investment promotion roles remain theoretical, especially at the policy analysis stage. Therefore, the authors (Yang and Lu, 2001) selected 43 sample countries and collected the time series data of 9 control variables from 2003 to 2008 in these sample countries. They used the fixed-effect panel model to conduct empirical research on Chinese investment promotion.

Other research has focused on the qualitative method, specific preferential evaluations within the purview of investment promotion agencies (Mallya et al., 2004; Murphy et al., 2003), or promotion techniques (Kindra et al., 1998; Wint, 1992) and assessment methods (UNIDO, 2003). Such targets could be particular categories of investment defined in a country's investment policies, such as hi-tech investment (Series, 2008). The effectiveness of IPAs is heavily dependent on the quality of the investment climate and the level of development of the countries in which the agencies operate.

Morisset and Andrews-Johnson (2004), and also Jin and Lin (2015), argued that the main challenge for many IPAs was to discover a suitable system for evaluating their performance. Investment decisions made by corporations were influenced by various factors and IPAs never wholly claimed all the credit for winning investment programmes, even if they had taken a significant role during the process. Furthermore, it was predominantly challenging to develop systems to evaluate non-for-profit activities, such as investment promotion.

Among the case studies of the effectiveness of investment promotion, Wint (1992, 1993) proposed that IPAs could achieve most success through case studies in two situations: first, where powerful investment authorities could provide post-approval services; and second, where stand-alone offices functioned as a kind of overseas network. The author concluded that they were most successful in promoting investment through those two operations. Loewendahl (2001) also conducted case studies in specific countries. He divided investment promotion into four areas: strategy and organisation, lead generation, facilitation, and investment services. The author analysed IPA activities by stages, from the stage of 'setting the national policy context' to

‘monitoring and evaluation’. He did not apply empirical tests as Wint did, but rather based his explanations upon his case studies.

Table 2.2 summarises previous studies from 1990 to the present on the effectiveness of IPA links to the research question and investigates what factors have determined the effectiveness of IPA practice and activities.

Table 2.2 Summary of Previous Studies on the Effectiveness of IPA

Authors/Years	Categories of IPA roles	Empirical methodologies and samples	Empirical or major findings
Wells and Wint (1990)	Image building, investment generating, and investment services (pre-investment decision, post-investment service)	Using a proxy for the effectiveness of investment promotion as a dichotomous variable, in total 50 cases, regression analysis.	A statistically positive relationship between IPA' existence and FDI flows.
Wint (1992)	Three classical functions are same as proposed in 1990 by Wells and Wint	Interviewed 20 investment promotion officials, Case study, analysis through 11 cases	The stand-alone office as overseas network type is more successful in promoting investment
Wint (1993)	After sales or post-approval services	Interviewed government officials in 10 selected countries, Case study, analysis through 10 cases	Powerful investment authorities provide the most effective post-approval service
Young et al. (1994)	Policy formulation, investment promotion and attraction, investment approvals, assisting, and monitoring (after-care)	No empirical test	The policy-advisor function is most prominent among IPA roles
Head et al. (1999)	Disseminating information to potential investors	Used a dummy variable indicating USA states with investment promotion office(s) in Japan, regression analysis, 225 cases of investment	The Japan office dummy is a positive sign to FDI, but it is not statistically insignificant
Wells and Wint (2000)	Image building, investment-generating, investment services and policy advocacy	No empirical test	The weight of the assigned IPA role should reflect the task that a country faces in marketing itself to investors
MIGA (2000)	Preparing for the site visit (managing the visit program), managing the post-visit, and providing follow-up and aftercare	No empirical test	MIGA promotes and facilitates productive FDI flows into developing countries
Loewendahl (2001)	Strategy and organisation, lead generation, facilitation, and investment services	Case studies, qualitative approach.	To maximise the long-term benefits from inward FDI, aftercare activity should form a significant component of investment promotion activities.
Wint and Williams (2002)	Not mentioned directly	Used the four-category scale of investment promotion effectiveness derived from Delphi-type poll of 36 cases, regression analysis	The effectiveness of promotional activity records positive sign to FDI flows, but it is statistically insignificant

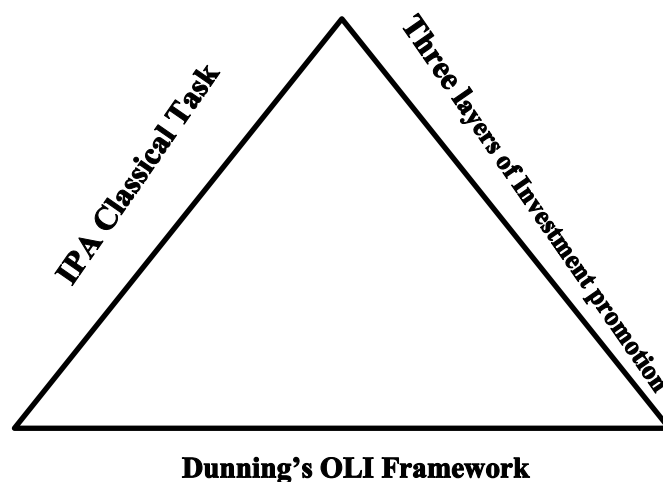
Morisset and Andrews-Johnson (2004)	Four functions of IPAs are same as that of Wells and Wint (2000). A positive relationship between IPA's promotional spending and FDI inflows.	Regression analysis using IPA budget, IPA staff, and two control variables (e.g., investment climate, GDP per capita) 58cases	The quality of the investment climate and the level of development have a significant effect on IPA performance.
Gabriel(2005)	IPAs should focus on the two types of activities that shape core competencies—investment generation and investor services.	Cross-sectional data and input-output models of 22 national IPAs in 2001 and 29 national IPAs in 2004 to set budgets as proxy variables for investment promotion	Most of the efficient investment promotion agencies are from developing countries
Charlton and Davis (2007)	Information on targeted industries	Using propensity score matching and the difference-in-differences specification	Targeting industry increased the growth rate of FDI inflows into that industry by 41 per cent
Head et al. (1999)	Targeted and non-targeted sectors pre-and post-targeting	Quantitative approach	Agency characteristics, such as its legal status and reporting structure, affect the effectiveness of investment promotion
Series(2008)	Challenges to evaluation have four main issues: institutional and contextual factors, practical matters, organisational challenges, and conceptual issues.	Qualitative approach	The effectiveness of IPAs is highly dependent on the quality of the investment climate and the level of development of the country in which the agency operates
Lim (2008)	Investment promotion and attraction, investment environmental ways of attracting FDI	Structural equation analyses with maximum-likelihood estimations, Current status of data collection by country (68 cases), and empirical result.	The effectiveness of investment promotion, measured by IPA age, IPA's overseas staff intensity, and the numbers of IPA staff, positively affects the attraction of FDI.
Liu(2015)	More effectiveness at national and provincial level IPAs choose Quasi-government types	Qualitative approach	
Wren(2016)	Sub-national IPAs were usually autonomous agencies and not subsidiaries of the national agencies	Qualitative approach	Need coordinated at national and regional levels.
Lim (2018)	Service functions (combined promotion service of inward investment and trade, and inward and outward investment).	Quantitative approach	IPA performance enhanced by adjusting the service functions and restructuring governance.

2.6 The theoretical framework

The theoretical framework provides a grounding base or anchor for the literature review, and serves as the support and guide for building this study. It also provides the structure of my approach to the thesis as a whole, philosophically, epistemologically, methodologically, and analytically speaking (Eisenhart, 1991; Lysaght, 2011). As I indicated in Chapter1, this is a complex field of study, in which IPA promotion, FDI attraction, and the effectiveness of IPA practices have attracted attention from academics and practitioners alike. The theoretical framework consists of the selected theories that underpin my thinking with regard to understanding and planning the research on my topic, as well as logically interpreting and aligning the evidence with the question in hand (Lovitts, 2005).

The theoretical framework of this study was based on the literature review and related studies. As previously noted, the theoretical framework of my thesis builds on classical tasks of IPAs, the Eclectic Paradigm (OLI Framework) of Dunning, and the three layers of investment promotion which are widely mentioned in the factors that influence the effectiveness of IPAs and inward FDI to a host country. It provides the foundation for my three research questions. The theoretical framework of IPA investment promotions can be seen in Figure2.7, which supplies the rationale for my research design, data collection and analytical conclusions.

Figure 2.7 Theoretical Framework of IPA investment promotions



In this study, I analysed the impact of IPA classical tasks in my action research cycle series. Then I assessed how the OLI framework, “the ownership of naturally limited resources, patents, trademarks” and the “location specific advantages of the host country” impact as external factors on the decision-making of Chinese firms when they are conducting FDI in the UK. The three-layer investment promotion is used to reveal the nature of investment promotion from its strategic, tactical, and operational layers; help investment promotion agencies better serve investors; and provide some perspectives from which to analyse the research questions.

2.7 Four main factors influencing IPA promotion to attract inward FDI from China to the UK

After refining my problem statement and research questions, I explored what theories, ideas and models other researchers had already developed. I gathered existing research on IPA investment promotion while looking at the provision of the combined external and internal drivers of influential factors. As I come towards the end of the chapter, I want to propose four main factors that seem to influence IPAs’ investment promotion between China and the UK based on the findings in the literature. I bring up evidence in the following chapters to show how effectively managing those factors can improve our IPA practices and increase inward FDI from China to the UK.

2.7.1 Policy advocacy and regulations

As discussed in previous sectors, policy advocacy as the main influential factor can be found from mode and legal status of IPAs; 80-86% are governmental or quasi-governmental bodies (Well and Wint, 2000; WAIPA, 2019). In Dunning’s OLI framework, the location advantages of each country include its political advantages, the specific government policies and investment climate that affect FDI flows, intra-firm trade and international production (Dunning, 1971, 1981, 1988). Young et al. (1994) first proposed that the policy-advisor function is most important off all IPA roles. Wells and Wint (2000) then updated their paper of 1990 in a popular textbook about IPAs,

and added the fourth functional category – policy advocacy. They described policy advocacy as including participating in policy task forces and developing lobbying activities. Home country government that strongly supports and/or incentivises will promote MNEs' success when engaging in FDI. Liu (2015) also argued that the Chinese central government has a powerful influence on the nature of FDI and investment promotion policies in China, the best example being the Shenzhen Special Economic Zone (SEZs). Government initiatives to enhance a country's attractiveness as a location for FDI have undergone rapid economic transformation from changing policies. Paine (2010, p.103), who published his article in the Harvard Business Review, argued: "Working with government isn't a matter of periodically wining and dining the right officials or reacting when policies change; it must be a central part of the strategic planning process". In my workplace, we lack funding support from the UK government authorities because the CBBA is neither a governmental nor a quasi-governmental agency. We therefore need to build a network with governmental departments and agencies, get support for our ongoing projects and improve the effectiveness of our investment promotion.

2.7.2 Targeting industry

Targeting industry is a strategy that has been adopted by almost all investment promotion agencies whatever their level of economic development, and it is a strong influence on investment promotion practice. Since foreign investors are not uniform, they can be categorised, for example, on the basis of country of origin, industry, company type, or by the strategy that they follow (Charlton and Davis, 2007; Head et al., 1999; Kotler and Gertner, 2002; Potter and Moore, 2000). As an IPA, CBBA cannot satisfy all investors at the same time, hence we geared our efforts to a targeted industry (education), based on our resources and the UK's business climate. Loewendahl (2001) and Wells and Wint (1990, 2000) also noted that IPAs now employ some form of targeting. Targets may be chosen by industry, by sector, by country, by the region or city of the potential investor, or by the characteristics of a particular class of investor.

Investors from China bought up British private schools because Chinese students from wealthy families chose to go to both a secondary school and a university in Britain (China Daily, 2015). Seeking a strategic asset appears to be the motivation for seeking the cooperation of Britain's schools and universities. Investors have been attracted to the financial opportunities of investing in British education, which is a good long-term investment motivated by strategic asset seeking. That is why I selected an education case for action research.

2.7.3. Information accuracy

An IPA acts as an information provider to small or large foreign investors since companies do not always have access to data or know where and how to find it. In particular, IPAs help investors to overcome information asymmetries (Wells and Wint, 2000; Loewendahl, 2001). Consulting/investment services are among the core functions and are discussed at the operational level of three layers of investment promotion (ECORYS, 2013). Series (2008, p11) argued that insufficient (or incorrect) information could lead to inefficient markets. Liu (2015) also concluded that each province had different financial incentive policies, and in consequence the international perceptions of a region might not reflect industrial conditions. MNEs, particularly foreigners, rarely had enough knowledge of the public sector to find their way. Hence, an IPA providing a "road map" might be very handy. There was a role for a "trusted intermediary" to introduce a foreigner to the networks of domestic businesses and private owners, because "foreigners' lack of knowledge can also result in less efficient use of real resources, due for example to their poorer ability... to deal with idiosyncratic aspects of the domestic contract law..." (Gordon and Bovenberg, 1996, p.1059). Harding and Javorcik (2011) claimed that information asymmetry is linked to the effectiveness of IPAs. Considering information accuracy to be one of the essential factors in improving the effectiveness of IPA promotion is also behind my practices. Chinese investors make quick decisions and have a reputation for frequently changing their minds; hence, ensuring accuracy can improve the performance and effectiveness of a promotion.

2.7.4. Cultural differences adaptation between East and West

The specific location advantages of each country in Dunning's OLI framework fall into three categories. One is cultural advantages, including the geographic distance between the home countries, language and cultural diversity, the general attitude towards foreigners and the overall position regarding free enterprises. Cultural difference and diversity are considered major barriers for multinationals and are gaining legitimacy in many host countries, thus affecting FDI location choice (Kang and Jiang, 2012). There are significant differences in the business culture of China and the UK where the UK is the developed economy, the business culture is Western in style, and business relies on the management system and contracts, not individual managers who are each in charge of a business. In China as an emerging market from the East, business culture is built on personal trust and connections (Guanxi) rather than on a management system. Cultural differences will affect the extent to which working practices and methods can be transferred from one country to another (Hofstede, 1991).

Cultural adaptation plays a crucial role in international transactions. Jia and Rutherford (2010) classified national cultural differences as a form of supply chain risk and cultural adaptation as mitigation for it. Molinsky (2007) concluded that cultural adaptation could grow trust and impact positively on an organisation's success. Child and Markoczy (1993) and Markoczy (1993) found the same effect from mutually beneficial learning between China and Hungary in the setting up of joint-venture projects. Our colleagues in China complained that we did not understand Chinese business culture, especially Guanxi, and we felt we should improve in this field. Guanxi requires a major degree of cultural adaptation. On the surface it seems very similar to Western business networking, but this assumption is far from correct. Gu et al. (2008) recognised "that the salience of Guanxi as a governance structure is strong and persistent" (p.23). These writers discussed three issues which are relevant to the marketing strategy in China's emerging economy. Guanxi, together with government officials, enables firms to achieve an advantageous position and is a fundamental part of economic and social life in China. I realised that

China remains a hierarchical, Guanxi-based society, despite its rapid transition to a market-led economy.

2.8 Chapter Summary

In the literature review, I focused on IPA, IPA practice and inward FDI attraction theories and practices around my three research questions (Charlton and Davis, 2007; Kotler and De Bes, 2003; Morisset, 2003; Morisset and Andrews-Johnson, 2004; Smith, 1956; Webster and Lusch, 2013; Wells and Wint, 1990; Wells and Wint, 2000). Literature reviews that are critical reviews are the most important factor of research. They do not merely describe the literature but compare and contrast one source with another, analysing it logically and showing where it falls short. I compared the important roles of MOFCOM and DIT, CBBC and CCPIT in promoting inward and outward foreign direct investment between China and the UK (UNCTAD, 2001; Jones and Wren, 2016; Liu, 2015, 2008). I also summarised the similarities and differences in the BRIC group of emerging economies based on outward FDI, for use in future research. I discussed the important roles played by emerging economies in the UK's inflow of FDI. Next, I investigated three phases of China's promotion of outward investment through its "Open door", "Going Global" and "Belt and Road" initiative, concluding that China's outward FDI would benefit both the economy of the home country and the UK as a host country (Andreff, 2016, 2014; Andreff and Balcet, 2015, EY, 2015; Jin and Lin, 2015; MOFCOM, 2015, 2018).

As this chapter has demonstrated, IPA evaluation is complex and faces challenges because performance depends on many issues beyond competence. I investigated the key literature chronologically and evaluated the key factors determining the effectiveness of IPA practice and activities, according to the selected literature (Lim, 2008, 2018; Loewendahl, 2001; Wells and Wint, 2000; Wint and Williams, 2002). I also discussed the challenges of effective evaluation, including organisational challenges and conceptual issues arising from the tensions and complexity of investment promotion between the UK and China (Series, 2008). In this review, I found an extensive literature

relating to FDI, but rather less relating to IPA. Most of the limited research that has been conducted is in addition predominantly positivistic, while the qualitative research that does exist is limited in scope and scale. There are no reported studies of IPAs that use action research; therefore, my use of action research to investigate IPA is innovative.

Underpinning the three classical tasks for IPAs, the Eclectic Paradigm (OLI Framework) of Dunning, and three layers of investment promotion, I proposed four main factors influencing the task for IPAs of attracting inward FDI from China to the UK, namely: 1) policy advocacy and regulation; 2) targeting investors; 3) information accuracy; and 4) adaptation to cultural differences between East and West. In the following chapters on methodology and research design through action research and case studies I explore these main factors further. In conclusion, this chapter has provided research support to inform the three themes set out as research questions in the first chapter. It has also proposed action research as a conceptual structure and theoretical framework for the study action research, action learning and change, and knowledge creation are discussed in more detail in the following chapters.

Chapter3: Methodology

3.1 Introduction

This chapter presents a methodological framework for my practice-oriented action research in the field of IPA investment promotion. Choosing a research methodology largely depends on the discipline of the study in question and on its research questions. In most cases, previous research in the IPA field provides methodologies to choose from, for example, quantitative or qualitative research, or the use of a mixed method that combines these two. However, the emphasis in the UoL online DBA program is on “workplace-based research ...producing truly actionable knowledge in the context of the student’s organisation, rather than focusing on creating narrowly defined and theoretical scholarly research” (UoL, 2012). Therefore, it is necessary in this thesis to engage with action research and action learning which is different from traditional business programmes relating to classroom scholarship.

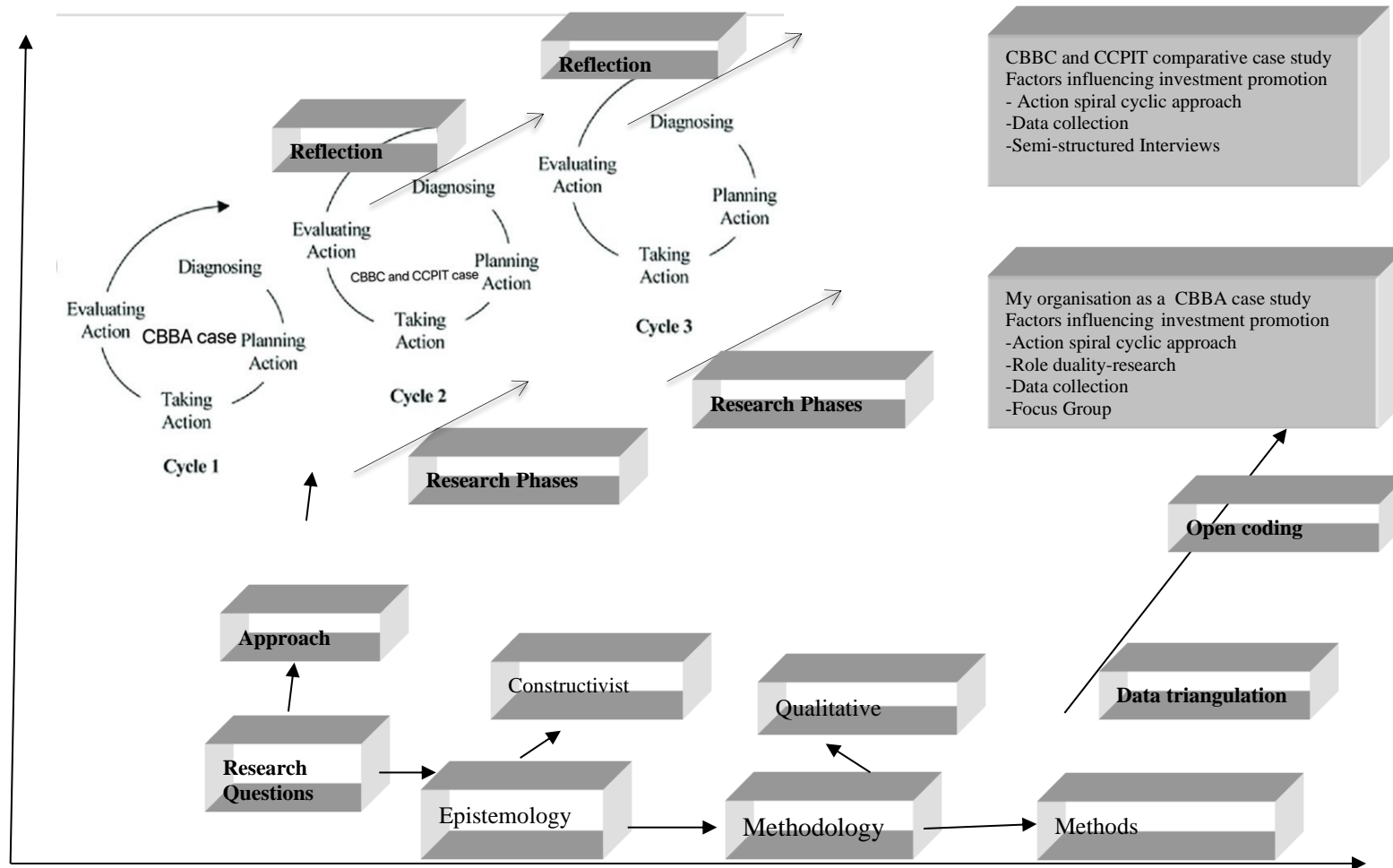
Given the three research questions of my study, the choices of appropriate methodology, approaches and methods were affected by the limited previous research in the IPA area, the DBA thesis requirements from UoL, personal and organisational factors, ethical issues, and the evidence gained from learning and reflection. The challenge of action research is not only to meet the traditional research standards and make an original contribution to knowledge in the field, but also to demonstrate a contribution to practical knowledge of problem-solving and professional development – “plural ways of knowing” (Reason and Bradbury, 2001, p.12). There are many different methods, approaches and methodologies incorporated to achieve plurality that vary with the purpose of the research and its central question.

In what follows, I provide the rationale behind my choosing a research methodology, research approach and methods of inquiry, which led to viewing action research as the most appropriate. Kothari (2004) defined research methodology as a systematic way to solve research problems, using research methods as the techniques for doing this. Figure 3.1 shows the framework of

research methodology, the action research approach and the triangulation of methods. The details of the research design and data collection through two action cycles are presented in Chapter 4.

Figure 3.1

Framework of research methodology, approach cycles and methods



3.2 Selecting my research methodology

A methodology is defined as "a theory and analysis of how research should proceed" (Harding, 1987, p. 2) or the "procedures, tools and techniques" of research (Schwandt, 2001, p.158). In my research, "procedure" is the crucial element of methodology. This research was about an action research-based enquiry into myself as the marketing director engaged in finding the factors that influence an IPA's promotion of inward FDI from China, to improve performance and effectiveness of organisational investment in my workplace. The research was not to collect empirical numbers and mathematical expressions. Instead, data were collected and analysed using a range of qualitative approaches: focus group discussions, semi-structured interviews and case studies. The study involved taking managerial actions based on "lived experiences", which meant that I selected a qualitative action research approach.

The methodology that guided the overall study is the four-stage spiral model of action research proposed by Coghlan and Brannick (2014): constructing - planning action - taking action - evaluating the action, and then constructing a new action cycle. My planned research design was to explore influential factors from an internal research perspective by carrying out action research in my organisation, and then embarking on a second series of cycles involving a comparative case study of CBBC and CCPIT from an external research perspective. The first case, based on my workplace, ran for twelve months in 2017-2018; it concerned investors from the H group engaged in inward FDI attraction in the education industry. The second comparative case study was presented in order to provide an external perspective to my position as an internal action researcher.

My research design was informed by my research philosophy which is based on the constructivist position. In the next sub-section, 3.2.1, I discuss in detail the epistemological position of constructivists. Previous researchers in IPA study were mainly positivist, giving little consideration to generating and implementing action outcomes. The paucity of action-based research reinforced

the need to consider and employ action research as the methodology in my study.

3.2.1 Identifying my research philosophy: constructivist epistemology

In considering research methodology, my starting point was to identify my research philosophy. A basis in philosophy is essential for clarifying research designs and affects the overall quality of the research. Creswell (2013, p18) articulated the importance of philosophy: “It shapes how we formulate our problem and research questions to study and how we seek information to answer the questions...” My research philosophy is underpinned by two main schools of thought proposed by Easterby-Smith and Jackson (2012), and Coghlan and Brannick (2014). Easterby-Smith and Jackson (2012) argued that philosophy helps researchers to recognise which research methodology will work and which will not. This safeguards researchers from going up blind alleys while indicating the limitations of particular approaches.

Easterby-Smith and Jackson (2012) discussed two dominant positions in epistemology in the context of social science research: 1) positivism (which has results that can be measured; requires large samples); and 2) constructivism, which assumes that individuals seek understanding of the world in which they live and work, and position themselves in the research by acknowledging what they find from personal, cultural, and historical experience. As discussed in previous chapters, my research is dominated by action research, which is a workplace-based spiral action process. The three research questions in my study are concerned with the questions “What do we know?” and “How do we know it”. I am not looking for statistical significance but for “lived experiences” – leading to constructivism. Hein (1991) described constructivism as a worldview where people construct their own understanding and knowledge of the world through experiencing things and reflecting on these experiences. A constructivist philosophy holds that learning results not merely from traditional methods of class teaching, but also occurs when learners discover knowledge through the spirit of experimentation and doing (Kalender, 2007).

The action research cycles provide a broadly recognized framework for understanding and engaging systematically in practical knowledge construction. Guba and Lincoln (1989) argued that the constructivist evaluation standpoint is grounded in the epistemology of social constructivism, which offers a conjunction between action research and constructivism. In procedural terms, the emphasis is on each cycle of the interaction between me as the researcher and all the participants. My research explored everyone else's views in order to reach a deeper understanding through critical engagement with multiple perspectives. Openness about the contrasting perspectives between me and participants has been crucial for both practical and ethical reasons. If I failed to be open in my data collection through focus group discussion and semi-structured interviews, it would have limited the potential for our joint construction of meaning, and challenged/changed the research outcomes. In my study, through focus group discussions and a 'constructive' approach to interviews, I engaged with participants to arrive at some new understandings. This implied a mutually shared acceptance of the experiences of all the participants.

The multi-case study approach has been adopted for my two action research cycles, and the case study accounts are viewed as co-constructed by the participants, including the stakeholders and myself as the researcher. I used focus group discussions and semi-structured interviews for collecting data, where the effect of constructing shared experience was the key aspect of the process of constructivist inquiry. For example, from a constructivist point of view, the first research question concerned the factors influencing an IPA's efforts to attract inward FDI from the emerging market of China to the UK, this is the "what" question - the objective is to find existing factors/determiners. The other two research questions are: How we can improve our organisation's IPA performance? and How can FDI from China to the UK be increased using IPA promotion practice and activities? Both the "how" questions are socially constructed, with the objective of finding the way to improve IPA effectiveness. In my study, the participants and the interviewers co-constructed the cases by sharing their experiences in this research field.

3.2.2 Undertaking qualitative research

In the research about IPAs' function and FDI attraction, both quantitative and qualitative studies can be found; a quantitative study on IPA's investment spending and promoting FDI inflows by Morisset and Andrews-Johnson (2004), among others. There are two reasons for using qualitative methods in my research.

First, in the overall trends and standard practices of OECD countries, IPAs rely more on qualitative evaluation methodologies such as benchmarking, and consultations than on quantitative methodologies such as econometric studies (OECD, 2018). IPAs help to create jobs and change the local investment climate in ways which are hard to measure. Qualitative research is employed across many academic disciplines, focusing particularly on the human elements of the social and natural sciences. This type of research concentrates on the meanings, concepts definitions, characteristics, metaphors, symbols and description of things (Denzin and Lincoln, 2017). Qualitative researchers often choose to study a research issue or problem within a single organisation or a small number of organisations, as I have done here. Qualitative research in the IPA field focuses on the influential factors of IPAs' work and discusses promotion techniques, and assessment methods, for example, targeting industry, overseas office representation, the nature of IPAs (age, funding sources, and so on) and political factors (Wint 1992, Kindra et al., 1998, UNIDO 2003, Loewendahl 2001, MIGA 2000, Young et al. 1994, series, 2008). Series (2008) provided two perspectives from which to evaluate IPA's actions; they partly determined the qualitative research methods which were appropriate to the research questions: (a) "doing the right thing" and (b) "doing the thing right". His work set out what the IPA's programme of activities was supposed to achieve and how it was supposed to do so.

The second reason for undertaking qualitative research in my thesis is that it reports an enquiry using action research-based into my experiences as a partner engaged in improving investment promotion performance and effectiveness in my workplace. This research is dominated by the action research

approach. One of the main characteristics of action research is its use of “a spiral of steps, each of which is composed of planning, action and fact-finding about the result of action” (Lewis, 1946, p.34). The spiral model relates to the phenomenon in greater depth each time and is socially constructed according to the specifics of each organisation. Interpretation and reflection typically occur within the action research cycle. Furthermore, the central research questions in my study explore the factors influencing the task of IPAs for which my three methods of collecting qualitative data were chosen. I applied interpretative phenomenological analysis, and open coding to analyse the data. The area of conflict is that most of the studies in the literature review were positivistic, with no focus on action. They provided a background to the research topic, but did not inform the methodology or the action. I adopted qualitative methods and action research approach in order to meet the DBA thesis requirements of generating actionable workplace knowledge as opposed to the discipline knowledge more often associated with PhD research.

3.3 Applied action research approach

Coghlan and Brannick (2014) presented action research as unlike the traditional research approaches which aimed at creating knowledge alone. Action research aims both at taking action and creating knowledge. Action research has two dimensions: the first is a four-step cyclical process, the second dimension is collaborative and inclusive of the set members and participants who are being studied in the cyclical process. These two dimensions contrast this form with traditional forms of research. Easterby-Smith and Jackson (2012) and Coghlan and Brannick (2014) offered insights regarding the dominant approaches in my research.

My research design consisted of two series of action research cycles: the first series of cycles involved four spiral action phases. I used the focus group method to collect data. The second series of cycles used a case study comparing CBBC and CCPIT to explore the influential factors from an external research perspective. The questions in my interviews were based on the three research questions. The external case study element of the research enabled a

third-person perspective (i.e. an industry-based view) that complemented the first-person (i.e. the researcher) and second-person (i.e. my organisation) perspectives of my insider action research (Hynes, 2012). The external case study also enhanced a robust research design by allowing the findings of the internal component of the study to be triangulated (Hynes, 2012; Erfan and Torbert, 2015).

The DBA assessment criteria of the University of Liverpool require engagement with managerial/executive action and the development of actionable knowledge. Action research (AR) is not a single academic discipline but has a complicated history, given its approach to research which involves a broad range of fields over time. AR perspectives can be found in the early traditional labour organisations and institutions in the US and Europe, and also in the Catholic Action movement and liberation theology (Brydon-Miller et al., 2003). AR has many roots and sources. In the 1940s, Kurt Lewin introduced an action research perspective to the US, attracting attention from a broad range of social scientists by its successful collaborative research with stakeholders. Lewin (1946, p.34) originally defined action research as an approach that "consisted in analysis, fact-finding, conceptualisation, planning, execution, more fact-finding or evaluation; and then a repetition of this whole circle of activities; indeed a spiral of such circles." Lewin further defined action research as a specific research approach in which the researcher generates new social knowledge about a social system, while at the same time attempting to change it (Kock, 2004). According to Herr and Anderson (2012), the application of action research has been increasingly popular in management research, particularly in professional doctorate research, for example, EdD (doctor of education) and DBA (doctor of business administration). McKay and Marshall (2001) consequently split action research into action and research (p.588), while Ellis et al. (2000) further subdivided it into action research, action learning, action science and participatory action research.

Action research in my study does not take a hypothesis or set of propositions as the starting point but observes a phenomenon in the field and tries to solve a problem (Coughlan et al., 2002; Greenwood et al., 1998). Greenwood and

Levin (2007) introduced a range of AR research approaches linking the historical, philosophical, and ethical arguments of action research with practical cases. The authors contended that diversity was one of the most critical features of each generation in human society, and all participants could influence social change. However, the most frequently discussed disadvantages of action research are “uncontrollability, contingency and subjectivity” (Kock, 2004, p.268). Ellis et al. (2000, p83) in order to offset the threats of action research viewed “action inquiry” as a “cyclic process whereby knowledge is created in and for action”. Based on the process of human knowing, Coghlan (2011) provided an insight into action research from both inside and outside engagement. He proposed a general empirical method and an inner concept, which focused on how we know (epistemology) rather than what we know it about (ontology). The development of ‘participatory (action) research’ aims to break down the barriers between the researcher and the researched and to enact positive change for those involved in the process.

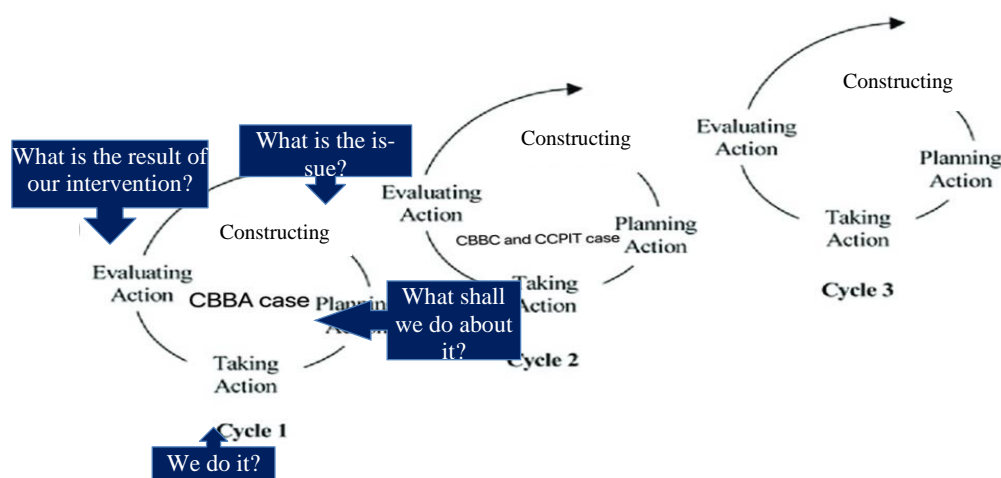
The three widely known types of action research are classical action research, action learning and participatory action research (PAR). The big difference dividing PAR from classical action research and action learning is that it often involves the external stakeholders of an organisation (Coghlan 2011). My organisational research adopted PAR because it involves these investors from outside, and I also applied five elements of action learning to it: (1) a critical problem; (2) a set of five team members; (3) inquiries and reflections; (4) action or a solution, and (5) a commitment to learning. To solve workplace-based research problems, “a learning set” consisting of 5 colleagues focused on the three research questions.

3.3.1 Action research cycles

The core elements of AR have been subject to different interpretations by different commentators. Lewin (1946) noted that the cycle consists of one preparation followed by three key elements (planning, action and fact-finding). Other authors have suggested a four-stage cycle, the extra planning stage resulting from the fact-finding (Coghlan and Brannick 2001, 2014). Some projects consist of a number of parallel cycles of varying duration

starting at different times; cycles can vary from a few hours to the years that more complex projects may need. For example, a small project may need only 12 hours to complete its cycle. In contrast, a large complex project may take up several years. My own AR, lasted a year (2017-2018), using a four-elements that consisted of constructing, planning action, taking action, and evaluating action. When I ran the AR cycle in my workplace, I was continually reflecting on events and then making choices, thinking about what to do next, and noting preferences and decisions. I always had to consider exactly what a good AR project looks like. Given the field of my case study, my action research adopted the spiral cycles of Coghlan and Brannick, as demonstrated in Figure 3.2. It helped me understand better how content, process and reflection were applied in the AR cycle (Coghlan and Brannick, 2014).

Figure 3.2 Four-step Spiral of Action Research Cycles



Sources from Coghlan and Brannick (2014)

A four-step spiral action research study developed by Coghlan and Brannick (2014) consisted of constructing (“What is the issue?”) - planning action (“What shall we do about it?”) - taking action (“We do it”) - evaluating the action (“What is the result of the intervention?”), going on to constructing a new action cycle. It is difficult to justify the use of action research when the same aims can be achieved using other approaches, such as experimentation or surveys which can demonstrate the link between data and outcomes more transparently. Therefore, in my action research, the reflection and data

collection process were most valuable when they focused on the aspects that could not be captured by other approaches, for example, having the “researcher” and the “researched” in the same organisation. In such cases, what precludes other options is the dual identities of researcher/practitioners, and the cyclical nature of action, which may transcend mere knowledge generation to include personal and professional growth and organisational and community empowerment.

Action research is a problem-solving approach, not a one-dimensional method of collecting and analysing data. Thus, it allows for several different research tools to be used in the course of the project. Methods that are normally associated with qualitative research include keeping a research journal, focus group discussions, document collection and analysis, participants’ observational recordings, set members’ discussions, structured or unstructured interviews, and case studies.

3.3.2 Meta-cycle of action research

Coghlan and Brannick (2014) found three core factors in a quality action research project: a good story, rigorous reflection on the story, and extrapolation of knowledge or theory from reflecting on the story. Content, process and premise reflections are applied to the action research cycle as a meta-cycle of inquiry (see Chapter 4 below for more details). A practitioner-researcher thinks that content reflection is taking place. Process reflection reveals how things are being done with the strategies and procedures adopted. Premise reflection is based on practitioner-researcher assumptions and perspectives. All three forms of reflecting are critical. I set up a focus group consisting of five colleagues from our China and UK offices, and two participants from H group conducting this study in my organisation through four action phases. From my point of view, I benefited from three forms of reflecting as a meta-cycle of inquiry to gain actionable knowledge and take critical action in my workplace as an internal researcher and practitioner.

As action research was progressing in my workplace, I was continually making choices in each cycle as I reflected on what was happening, thought about what to do next and made choices and decisions. The meta-cycle not only helped me better understanding action research project, but also added another layer of complexity to the learning cycle which is second-person practice with the groups and teams engaged in the action research cycles.

3.4 Methods of inquiry

Using different methods improves rigour and trustworthiness in a qualitative action research method and assist in overcoming any perceived weakness that a single method may have. As foreshadowed above, the data have been collected using three different approaches, namely focus group, interviews and case study, analysis methods include interpretative phenomenological analysis and open coding in my research.

3.4.1 Three different research methods applied

Action research has its own disadvantage and risk factors: (1) Participants in the setting. Participants often are subordinates within the organisation setting and/or customers as the key stakeholders. Hence the power relationships are complicated when action research is from within, especially in regard to participants/investors who make crucial decisions and affect the outcome of the research. (2) The action uses a narrative style that allows the researcher to reflect on the research process and findings – it is seldom easily formulated general knowledge. (3) Action research has grown out of very different research traditions and is inherently interdisciplinary; thus, it seldom fits the norms of a particular discipline. In order to minimise its disadvantage and risk factors, I decided to use the following three methods to collect the data and two methods to analyse them.

Focus groups: In the first instance data were collected by means of a focus group discussion which continued for the whole first action cycle. Five of the group were selected from the CBBA marketing team and two from the H group. They participated in the action research project in their workplace or

when visiting sites, and focus group discussions included in the action cycle took place over all twelve months. The focus group meetings were audio-recorded and the notes that I made at the time were used for subsequent analysis. The analysis followed the steps suggested by Krueger (1994): review, identify emerging themes, code the data, and sort the data into coding categories and research questions if appropriate. Details of ways to use the focus group method to collect and analyse data may be found in the next section. The multiple viewpoints in one focus group from my organisation enabled this group to contribute most to my construction of the case.

Semi-structured interviews: The second method of data collection used was semi-structured interviews of employees from CBBC and CCPIT from a range of jobs and positions. I identified six interviewees, namely, two senior executives with responsibility for the overall IPA practical strategy, two middle managers who were marketing managers from the education sector and were expected to deliver on the practices in the agency's promotions strategy, and two key staff members, event coordinators or team members from the marketing department who worked on the agency's promotion activities. The purpose of collecting interview data was to understand how people made sense of issues relating to the research questions (RQs) (see Appendix 3). After considering several qualitative approaches, I decided that an interpretive phenomenological approach (Heidegger 1996, 1927) was the most appropriate means of doing this. The analysis follows the steps suggested by Giorgi (1981): a review to gain a sense of the whole, identifying 'meaning units', expressing these units in language related to research, and synthesising units to represent the subject's experience.

Case study: The final method was a comparative case study involving CBBC and CCPIT. The purpose of the case study was to minimise the risk of insider research, which would allow me to shift from the insider position to something nearer that of an impartial observer. If I did, any new or different information that emerged would expand my understanding of the cases. I selected two cases to investigate: two large investment promotion agencies between China and the UK, CBBC and CCPIT. In my action-orientated research, the

case studies are the exploratory type, looking for the effective factors in the work of an IPA. The five components which are especially important in a case study are the research questions, the propositions if any, the units of analysis, the logic linking the data to the propositions and the criteria for interpreting the findings (Yin 1994). Each unit of analysis calls for a slightly different research design and strategy in data collection. A case study is an empirical inquiry that "investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used" (Yin 1989: 23). The use of these methods is concerned principally with the interaction between factors and events, particularly in practical applications (Bell 1993). It would allow me to understand more of the impact of the variables in an IPA's promotion techniques and evaluate the performance between CBBC and CCPIT on the basis of these variables. I collected data from the three methods to consolidate, following analysis, into an outcome. In pursuit of my study strategy, I conducted two series of action research cycles lasting around eighteen months between 2017 and 2018. The methods of collecting data were applied at different stages. I used focus group discussion to collect data in the 'taking action' stage of cycle 1 from October 2017 to April 2018 and used semi-structured interviews to collect data in cycle 2 from June to September 2018, when I was making a comparative case study of CBBC and CCPIT. The data were analysed by interpretative phenomenological analysis and open coding; the outcomes emerged from the analysis of the data from two series of action research cycles, combined.

3.4.2 Applied research analysis methods: interpretative phenomenological analysis and open coding

I have explained above why I chose three particular methods of collecting data. Next, I discuss the application of interpretative phenomenological analysis and open coding in my research. UoL requests that the design and management of DBA research should begin by "a focus on action". Interpretation and reflection typically take place within the framework of the action research cycle.

Interpretative phenomenological analysis was conceptualised in the 1910s and is argued to have had a dominant position in qualitative research, with three primary theoretical underpinnings (Pietkiewicz and Smith, 2014). Husserl (1913, 1931, and 1936) laid the foundations of Phenomenology, proposing it as a philosophical approach that aims to produce an account of lived experience in its own terms rather than one prescribed by pre-existing theoretical preconceptions. The author of *Being and Time* (Heidegger, 1927, 1996) as a student of Husserl challenged and extended Husserlian phenomenological ideals. Heidegger's ontology focused on the explication and understanding of human lived experiences. Through his explication, Heidegger prepared "the way for the problematic of fundamental ontology - the question of the meaning of being in general" (Heidegger, 1996, p.227). He described the ideal of his own phenomenology as an interpretation of experience and an explication of "the meaning of being" (Dreyfus and Wrathall, 2008). Smith (2010) claimed that interpretative phenomenological analysis recognised that it was an interpretative endeavour by virtue of the fact that humans are sense-making organisms. Based on my research ideas, I am aware of interpretative phenomenological analysis as a particularly useful method for my action-orientated case study and the two comparative case studies between CBBC and CCPIT.

There are a number of reasons why interpretative phenomenological analysis is a particularly useful methodology for examining my research topic. First, this method is especially valuable when examining projects which are complicated and ambiguous (Smith and Osborn, 2004). Investment promotion involves complex interactions between two often completely different countries in terms of economic development, policies and culture. Second, interpretative phenomenological analysis offers the possibility of experiencing a process as a whole rather than vicariously using other people's data (e.g. panel data), so it fully appreciates each participant's account (case). Samples in such studies are usually small, which enables a detailed and very time-consuming case-by-case analysis to be made. Finally, interpretative phenomenological analysis illuminates what is presented and, importantly, it grounds the findings firmly in a close examination of what participants have said. In view

of this, interpretative phenomenological analysis opens up the sense made by the participants of the phenomena under investigation, and at the same time documents the researcher's sense-making (Smith, 2010, 1996, 2004, Smith and Osborn, 2004).

My research focused on the way in which a group of participants and I made sense of the projects through sharing our experiences with others. In my action research project, interpreting concentrated on the individual actor's own experiences and participated in the promotion of inward FDI from Chinese investors. In comparing the two case studies of CBBC and CCPIT, I aimed to produce an in-depth examination of an agency's promotion phenomena that might provide insights into patterns or mechanisms.

Open coding had been used with the inductive mode of inquiry in my research. It is one of the processes of analysing textual content to build concepts from textual data (Flick, 2007) opening up texts and exposing the meanings, ideas and thoughts in them. Open coding includes labelling concepts and defining and developing categories based on their properties and dimensions. First under the same concept I grouped similar elements from focus group discussions and semi-structured interviews. When concepts demanded a range of coding, I used the category of summarised concepts to generate five initial categories: policy advocacy, targeting investors/industry, information accuracy and cultural adaptation, regional strategy, and others based on the three research questions. Finally, I identified patterns and tied the field data to the research questions.

3.4.3 Triangulation of perspectives

Triangulation is often used in qualitative research to increase the trustworthiness of the result (Creswell, 2008). It means looking at a study subject from several methodological and theoretical perspectives (Denzin, 1970; Flick and Gibbs, 2007). Triangulation is not a new research trend; for mixed methods have been extensively discussed since the 1970s. In qualitative research triangulation mainly occurs at the data collection stage.

In my research, triangulation employed data collected from at least three sources by integrating different material and evidence from focus group discussions, semi-structured interviews, case study field notes, journals, and documents. I used triangulation to increase the strength and authenticity of the data, for example, from semi-structured interviews with CBBC and CCPIT participants and focus group discussion with stakeholders and investors. Since triangulation has been applied in a number of research projects (Flick and Gibbs, 2007) with mixed approaches (Morse and Maddox, 2014), more researchers and practitioners have analysed many types of data by combining observers, methods, theories and empirical materials of many kinds. In this way, my study sought to overcome perceived weaknesses or fundamental biases and the problems that come from single-method approaches.

3.5 Ethical considerations of research: Authenticity

Ethical issues are vital concerns of the Ethical Committee of the Liverpool University online program and international online research committee. In my research, ethical considerations are important elements that underpin probity and quality of the research.

3.5.1 Authenticity criteria

As a practitioner-researcher I am concerned primarily with the accuracy and quality of interpretations, including the perspectives of all the stakeholders and participants. Guba and Lincoln (1989) emphasised that constructivist sense-making needs to be validated. In qualitative research, “trustworthiness” corresponds to credibility, reliability and objectivity. The criteria of ‘Authenticity’ seems more closely linked to the philosophical assumptions of the constructivist paradigm, such as sharing learning from and reflection on the research with colleagues and advocating the evaluation of my action outcomes (Creswell, 1998). The knowledge that was produced through action research in my study is conceived as ‘working’ knowledge.

As an insider researcher, I tried to let my particular practices make positive adjustments to the data, building in self-reflection. The tacit knowledge that

I acquired raised epistemological problems, including bias, prejudice and over-assumption. A mechanism for reducing bias is always needed. According to Lincoln and Guba (1985), study trustworthiness involves the demonstration that the research interpretation of the data is credible or “rings true” to those who provided the data, for example, the participants’ and stakeholders’ focus groups and the interviewees from CBBC and CCPIT. As Cater (1993) argued, practitioners’ accounts of their reality are themselves constructions of reality and not reality itself.

The discussion of authenticity by Reason and Bradbury (2001) overlaps to some extent with the criteria that I presented in the previous section, but shows essential differences of emphasis. While mine was developed more out of insider action research, theirs were developed out of their experience with PAR and a view of action research that was a worldview as well as a methodology. In other words, when entering research from the perspective of my own experience, in order to ensure authenticity and objectivity in the result, I articulated the process of development and change in my journaling, field notes and the research paper itself, to avoid subjective opinions and biases as far as possible. Developing the skills and habits of integrity is necessary for any action researcher (Reason and Bradbury, 2001). The strong ties binding research and practitioner together during the action research process make the ethical dimension of research more important than ever. In this study I followed guidelines, for example, to ensure that the participants were informed fully about the purposes and risks in order for them to remain independent of the research and to make explicit any partiality or conflicts of interest.

3.5.2 Managing political relationships with stakeholders

A significant factor in an action research project is the involvement of internal politics, especially in regard to data sensitivities and the controls of the programme (Coghlan and Brannick, 2014). Academics have explored the “lived experience” of organisational politics from the viewpoint of the change agent. They have concluded that an excellent political action researcher could smooth the research journey to its destination (Buchanan and Basham, 1999).

I discussed and developed a list of the skills required to intervene in the political process with my interviewees, based on related research; the list included promoting essential agendas, influencing colleagues and fellow decision-makers, stimulating specific decisions, dealing with criticism, and boosting reliability to achieve my research objectives (Greiner and Schein, 1988; Buchanan and Basham, 1999).

In my research I identified the main decision-makers among the internal and external participants and stakeholders, and engaged with a few key senior members from CBBC and CCPIT. I took careful account of ethical and political issues. From my point of view, it was rather challenging that all the participants had equal access to the information generated by the process. The outside found it more difficult than the inside researchers to understand the organisation's policies. I remembered the frustration when I had conducted action research in the past, when I was not allowed access to crucial financial figures because it involved the tax system and my previous corporation had used tax avoidance procedures. This made it problematic to obtain accurate marketing expenses and sales costs. Because the present research is not linked to sensitive financial data on the work of IPAs and has the added advantage of the greater transparency of UK businesses, it did not present ethical or political dilemmas, even with its integration of roles. I intended to share my findings and the outcomes of action research with all the participants.

3.6 Chapter summary

In this chapter, I used my three research questions to provide the rationale for selecting the research methodology, research approach and methods in sequence. The challenge of my research was that it incorporated many different methods, approaches and methodologies to achieve its plurality through the central research questions and purpose.

With regard to the research methodology, philosophical issues are essential to clarify the research design and affect the overall quality of research. I identified the constructivist epistemological position as my starting point, as

defined by my research questions. In this study, the participants and the interviewers co-constructed the action research through sharing their experiences in the field. The methodology that guided the overall study was the four-stage spiral model of action research proposed by Coghlan and Brannick (2014).

Then I provided two reasons for using the qualitative method in my research. First, there were some overall trends and standard practices among OECD countries, where IPAs rely more on qualitative evaluation methodologies (OECD, 2018). Second, this research takes throughout an action research approach, and I chose three qualitative methods for collecting data (focus groups, semi-structured interviews and case studies); I then applied interpretative phenomenological analysis, and open coding to the data.

Next, I explained why I chose the action research approach for the study and illustrated the four-step spiral action research cycles developed by Coghlan and Brannick (2014). My research design consisted of two series of action research cycles. The first series of cycles involved four spiral action phases in my practice as an internal action researcher; the second series of cycles used a case study comparing CBBC and CCPIT to explore the influential factors from an external research perspective.

Because action research has its own disadvantage and risk factors, I discussed whether using several different methods would improve my research rigour and help to remedy any weakness that a single method might show. Triangulation was used in my research to increase the “authenticity” and “trustworthiness” of the result (Creswell, 2008).

The last part concerned ethical issues, and the balance of ethical principle, together with ways to manage political relationships with stakeholders in the project. In Chapter 4 on the research design, I focus in detail on the procedures of data collection and analysis and the contents of the two series of action research cycles.

Chapter 4 Research Design: The Story and Action Research Cycles

4.1 Introduction

The research was planned to have an action research approach. As previously discussed, the design involved two series of action spirals based on Coghlan and Brannick's (2014) four-stage model: constructing, planning action, taking action and evaluating action. Data were collected and analysed using the range of qualitative methods already outlined. In my research design, I went through two cycles: the first took twelve months to complete by me as an internal action researcher. I used the focus group method to collect data. The second cycle took six months to complete using a comparative case study of CBBC and CCPIT. I had semi-structured interviews with the participants and explored the research questions this time as an external researcher. I applied interpretative phenomenological analysis and open coding to analyse data from the two cycles.

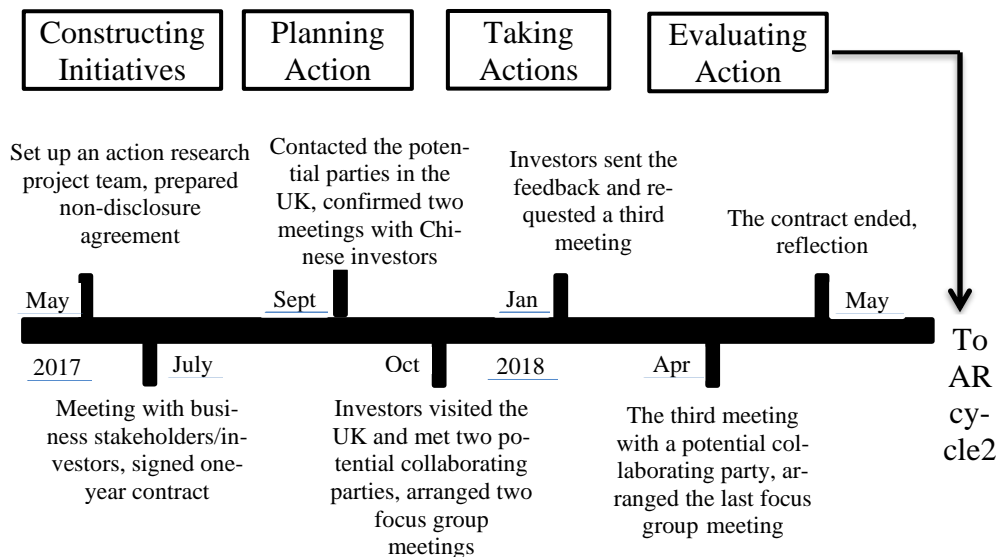
4.2 Cycle 1: conducted AR in my practice as an internal action researcher

In this section, I focus on the first action research cycle which represented a typical spiral action research initiative, as shown in Figure 4.1, representing the Action Research Cycle 1 Timeline. I identified my project as an initiative in 'participatory action research', entailing applied and blended methodological perspectives and approaches to fit the circumstances and purposes of my project. Coghlan and Brannick (2014) talked about designing and implementing action research projects. These authors emphasised that it is crucial for practitioners to reflect before and after the action. In my study, the reflection in Chapter 6 provides details of the reflection after completing two AR cycles.

Figure 4.1 Action Research Cycle 1 Timeline

Action research cycle 1

May 2017-May 2018 (12 months)



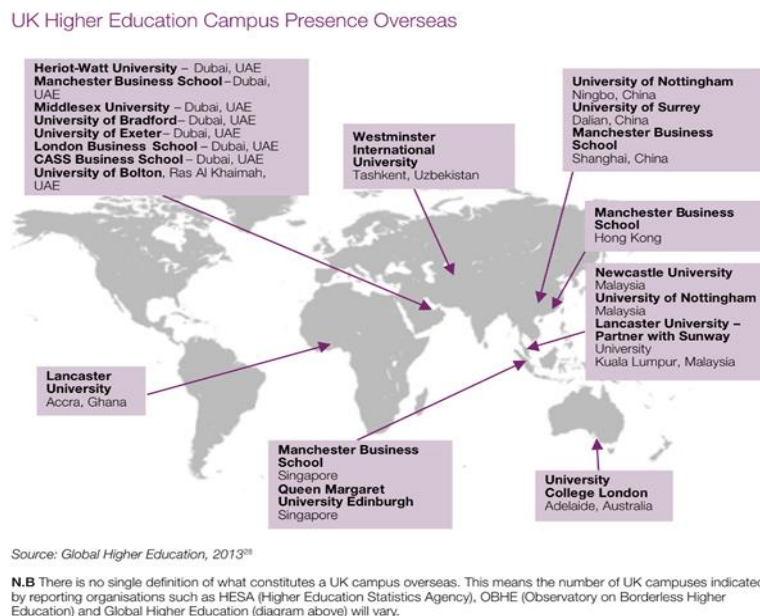
4.2.1 Action research cycle 1: Phase 1. Constructing initiatives

It is not surprising that more and more Chinese investment companies have entered the global market in the past two decades. They have played a major role in the global investment market during this time (CAITEC, 2017). As I mentioned earlier, in our marketing strategy to target the education sector based on our resources and strengths in the previous year, we focused on international education business development, especially higher education and international nurseries within private companies/institutions in China. Our team in China worked together to promote our projects to the targeting group. I was interested in investigating the central question: What factors influence IPA's practice in attract inward FDI from China to the UK? Two sub-questions help to address the research question: 1. How to improve our organisation's promotion performance? 2. How can FDI from China to the UK be increased using IPA practice and activities?

China has had many successful international education joint ventures (JV) with various countries worldwide. JV programmes involve education from

preschool to higher education levels, especially the latter. The University of Nottingham in Ningbo and the University of Liverpool in Suzhou are typical cases and have developed outstanding reputations as the two best joint international universities in China (see Figure 4.2, UK Higher Education Campus Presences Overseas, below). Chinese education organisations, universities, and companies continue to propose jointly established schools or universities with UK partners. Henan H education group (H Group) is one of them.

Figure 4.2 UK Higher Education Campus Presences Overseas



H Group was undergoing a period of expansion supported by the provincial government of Henan and the central Chinese Ministry of Education. As part of this expansion, the group wanted to enter into a partnership with an overseas Higher Education Institution (HEI) that would allow the two parties to create a joint venture campus. The terms of this partnership were generous, and the set-up would allow the overseas partner a great deal of autonomy in the management of the project as well as the financial arrangements.

The objective was to establish high-quality university education in the capital city of H Province. The land and buildings would be substantially provided

and funded by Chinese investment (see the provincial government's official documents). What they wanted was to partner one of the UK's Top 20 universities to provide a university brand and management with the possibility of sharing revenue from a total of 15,000 students, comprising 12,000 undergraduates, 2,000 postgraduates, and 1,000 doctoral students. The project had three options to develop step by step from Plan A to Plan C. (1) Plan A: to jointly cultivate undergraduates, carry out undergraduate education programmes, and issue Bachelors' degrees in the name of both universities; (2) Plan B: to establish an educational institution with undergraduates and postgraduates; (3) Plan C: to set up a campus under the UK university's brand, which would be an independent university and would include several levels of education, from undergraduates to doctoral candidates. In terms of Dunning's OLI framework, the Chinese investor was interested in the "Ownership" factor in this project: (1) Britain's Top 20 University's trademark and patents; (2) Technology: Higher education Curriculum setting and teaching management technology.

Helen, the director of the Wuhan office in central China, heard of this education project from a friend's recommendation. In May 2017, the first step in conducting this project was to set up an action research project team (which became the focus group) between the two countries. Our team consisted of six colleagues, four from the UK and two in China. The first online meeting was held at the end of May via WeChat, an instant talk App and has a similar function to WhatsApp in the UK. I prepared in advance: sending project materials and a set of discussion items. To begin with, Helen elaborated on the discussion through WeChat, while as I hosted and presented the issue that we needed to discuss and confirmed the confidential and supportive seminar rules. I asked the team members to be sensitive to other people's approaches instead of trying to impose their own solutions. I encouraged the team to contribute their individual experiences and wisdom on the matter and to think independently.

Under regional government development policies in H Province, H Group and other competitors from the education industry competed for the chance

to develop the project. The speakers' contributions and their critically collaborative enquiries provided a rich source of information that showed all the relevant factors (Monk and Howard, 1998), identifying the stakeholders from their separate platforms. I then encouraged the team to unlock the learning for this project by asking open questions of each other (Raelin, 2001). At the very beginning, what I thought about creating a relationship of trust with the clients. I thought the best way was to visit their workplace, communicate with the key people to fully understand their requests, and then develop a programme accordingly. I understood the importance of relationship marketing and competition strategy in China. Marketing and pricing strategies are essential factors to consider – the services we provided had to be distinctive in order to cope with our competitors.

The minutes of the meeting are evidence that the atmosphere of the team discussion was very cooperative and supportive; the set members reflected on their assumptions and collective identity. We prepared the first required meeting with the clients in July, with specific emphasis on making the contract competitive. We designed a non-disclosure agreement which broke down the payments into three stages so that the customer could better control the risk. I flew to H Province, China, with Hunter, the head of the Guangzhou office of our agency at the end of July. We met the president of the client organisation, Mrs Li, who owns H education Group, and discussed the key issues of finding a cooperating partner in the UK. Subsequently, the two parties signed the one-year agreement. I translated the documents from Chinese into English, and distributed the information to our English colleagues, briefing them about the project when I flew back to the UK.

Photos of H group in China with 25,000 undergraduates on two campuses:



4.2.2 Action research cycle 1: Phase 2. Planning collaborative action

After the signing of the contract in July, the focus shifted from China to the UK. I then took the second step, which was to plan collaborative action with our marketing team members. I set up a group to plan this action. I set up six members of a “set” throughout the course of the project. The challenge for me was not only to ask questions that were relevant to the research but also to ask these questions sequentially, with a level of abstraction and a use of cues that maximizes the quality of the analysis.

My British colleague Robert had once worked as the director of international cooperation in a well-known university in London. He was in charge of contacting UK universities. Another colleague, David, with an international business background, also knew some people on the list of contacts which H Group was targeting. I shared my initial ideas with my team before taking any action.

In September 2017, I convened an in-person, onsite discussion by the team in our Cambridge office to gather any data that could inform us about the next phase of action research. Now that we had signed the contract, despite the challenging appearance of its terms and conditions. I proposed a two-hour meeting with four colleagues in the UK focused on two challenging questions: (1) How to make an effective plan to supply this large project for H group and complete it in a year; (2) How do we control the failure risk and balance the policy influences and cultural differences, given that the Chinese

client is a private company which seeks speed in all matters, in contrast to the top UK universities which are public organisations and less concerned about speed? The team discussed these two questions candidly and were recorded; field notes were made, and summary comments made to end the meeting. During the discussion, one of the participants suggested an “analysis of the external environment of the two countries’ government policy affecting our practice”. One of my team members raised the question of whether the OLI framework should be applied to the first question. The questions were asked within an interactive group setting where participants were free to talk with each other. During this process, I took notes on the vital points made by the group. These ideas reminded me of the factors which I had previously ignored and turned my thinking in a new direction I very much appreciated all the contributions made by the team and made notes summarising the main features of the group discussion.

This project had several features to consider in our team analysis of the project, based on three groups of primary documents that we had collected: government documents, a proposed cooperation plan (see the details in Appendix 6) and the client’s request emails. Based on our information at the time, we made a list of the names of contacts in the international cooperation offices of the Top 20 and Russell group universities.

After one month of communication with potential partners in the UK, we had received four positive responses from our targeted universities. We discussed inviting the president of the H group, Mrs Li, and her management team to visit the UK. We prepared an invitation letter and an itinerary for their visit, included three confirmed focus group meetings. Subsequently, three people came to the UK. We held the first meeting with them in our Cambridge office and summarised the work that we had done, clarifying our project plan and showing how Mrs Li, the company’s president, and her two colleagues would participate in the project. Mrs Li was pleased with the progress and emphasised that the joint venture mode could be more stable if her group company was part of it, for three reasons: (1) H Group is a private company, unlike a state-owned institution where the principals have only five years tenure, at

the most, so it avoids the risks incurred when all the principals have to leave their job together. H Group has no such tenure problem and thus faces less risk; (2) the UK partners “participate with their name, IP and educational and management resources”; they will receive investment and financial returns in stages, as promised, and more flexibly than they would if partnered by a state-owned institution because less bureaucracy is entailed, especially since some foreign countries strictly control the financial flow to public universities; (3) H group has a healthy cash flow, and could invest in a UK institution to develop curriculum translation.

4.2.3 Action research cycle 1: Phase 3. Taking actions

Taking action is an essential step in action research; it produces primary data for the data analysis. It took seven months to collect data through focus group meeting from Oct 2017 to April 2018. I arranged three focus group discussions for H group, and used the focus group method to collect and analyse data that included the participants’ perceptions, opinions, and attitudes towards a project or service, etc. The focus group discussion allowed participants from several different backgrounds to move to a more natural conversation pattern than typically occurs in a one-to-one interview. Our focus group meetings brought seven participants from three stakeholder groups together: my organisation, H Group, and one of the UK parties. I used focus group discussion in combination with participant observation to learn about groups and their patterns of interaction when exploring a specific set of issues.

Action research require the collection of various forms of data, for example, minutes of meetings, focus group discussions and documents, to construct a detailed case or narrative idea. Easterby-Smith et al. (2012) suggested three ways of collecting data: noting language, observing and interacting. Researchers collecting data need to anticipate potential issues based on their chosen source. An essential aspect of collecting data is the process of interpretation. Qualitative researchers making sense of the data are involved in interpretation. Coghlan and Brannick (2014) introduced philosophical aim of distinguishing what we know from what we infer.

We accordingly act on the basis of thinking that we know something (epistemology) (Nicolaidis and Yorks, 2008). Making these distinctions helps me to examine the factors that threaten the success of this education project. I anticipated that my action plan would create a positive outcome if it was based on the three layers of investment promotion for an IPA discussed in Chapter 2 (Figure 2.3), and applied this to analyse our strengths and weaknesses in order to discover what we knew and what we needed to know. In this cycle, we had three focus group discussions.

The focus group used the first meeting to make a SWOT Analysis of the H group. SWOT Analysis enables participants produce practical and efficient outcomes from an original vision and it helps stakeholders to gather suitable information for maximising their potential (Benard et al. 2013). We discussed Mintzberg's (1990) proposed model that views the process as one of design, aimed to achieve the best possible fit between external threats and opportunities and distinctive internal competence.

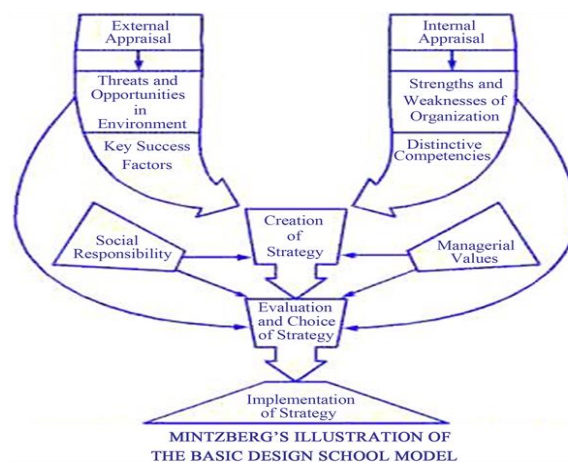


Figure 4.3: Mintzberg's SWOT Analysis "design school" model

From Figure 4.3, we see that SWOT is a starting point for the design process; the "design school" model focuses in particular on the problem of consciously assessing strengths and weaknesses. To make strategies explicit, Mintzberg (1990) separated formulation of the process from implementation. We conducted a SWOT analysis based on the key organisational priorities, such as strategy building, marketing and corporate planning. In the action phase, the

SWOT analysis identified the barriers to our reaching an agreement to cooperate:

(1) Strength: H education group had built up a very good relationship with the local government and would receive substantial support from government at all levels if it had a long-term plan for strategic collaboration in provincial development. Policy support included free land and 2 billion RMB funding available on application.

(2) Weakness (W): The academic reputation of H education group was not strong: it was not a member of the 211 and 985 university groups in China (equivalent to the Russell Group in the UK), and as a private organisation had not been authorised to issue postgraduate level degrees in the higher education sector. It lacked experience of research and international cooperation and the quality of current students and faculties was far below that of the best national universities.

(3) Threats (T): H group had competitors from a private and public background. Those organisations were contacting universities in the UK, USA, and Canada, and were particularly interested in introducing a world first-class overseas university to H Province.

(4) Opportunities (O): Like most joint venture projects invested in by emerging countries, H group was looking for value-added and know-how strategies asset from developed economies. There are no independent overseas campuses in H Province authorised to grant Bachelors', Masters' and doctoral degrees. H Province was also deficient in high-quality Chinese universities and underperforming in the country's average level of higher education. Local government had put it into an important position to solve this problem, amid concerns that it is the second most populated province in China, with 120 million people.

The SWOT analysis from the focus group helped me to clarify the process though the analysis obscures the fact that both the internal and external

environment are rapidly changing. Weihrich (1982) developed the TOWS Matrix differently in a practical way but derived from the SWOT Analysis model. SWOT begins with internal analysis while the TOWS Matrix starts a reverse process by analysing the external environment – the threats and opportunities. From this perspective, the H group gained a clear picture of its threats and the opportunity of comparing itself with its competitors. We discussed what direction our agency should take and how to construct our strategy. The TOWS Matrix helped all the stakeholders to make better decisions, seized opportunities for it and protected the group better against threats. After our team meeting, we arranged for the three UK universities (called Q, L and B here) to visit H group. These three had contributed to and induced the ongoing international cooperation programme with H group. Analysis of the data showed similarities and differences across the three universities in both contributions and inducements. Sharing put-ins as well as take-outs showed similarities of experience across the set members and between them and the participants from my organisation and the H group.

I was faced with a very challenging situation once I started arranging the focus group meetings with the UK universities that were intended to promote inward investment. Table 4.1 gives examples of the focus group's descriptions of issues and shows how the data were extracted. To preserve the confidentiality of the agreement, more details are attached in Appendices 6, 7, 8, 9. This project took 12 months' work with our colleagues from the two countries. Our marketing team reflected on each action taken and then made changes accordingly in the following cycle. The outcome, however, was disappointing. We received only the first instalment, and the project was halted after a decision from H group.

4.2.4 Action research cycle 1: Phase 4. evaluating action

As the researcher, I was trying in my approach to deepen and enrich my understanding of the content related to the phenomenon (Hsieh and Shannon, 2005; Weber, 1990). I made an additional phase in my research by choosing to use multiple Excel spreadsheets to code and analyse the data from the focus

group discussions, rather than a software computer program. One example of the focus group discussions is illustrated as below; it concerns suggestions by our project manager Lisa in October in 2017, shown in Table 4.1 below:

Table 4.1 AR analytical process: An example of interpretative analysis of the discussion data from the focus group

Action Phase 3Analytical Process	The description of issues	Concepts	Categories
Data –Focus Group dis- cussion: H Group Mrs Li	“Chinese population will fall sharply in future 20-30 years, although the two-children policy has been issued according to the statistics. In particular, the number of high school graduates may reduce dramatically. However, the number of international cooperation programmes between colleges and universities in mainland China has increased rapidly in recent decades. Will the overseas campus face the risk of saturation of international programmes and dilution in the number of students in future? We need to provide an estimate of the number of Chinese college students in the next 10-20 years. This will allow the UK partners to see there is still room for overseas campus development, although the overall population trend is declining.”	The impact of China's two children population policy on recruiting future students	Policy influence /advocacy
Data – Focus Group dis- cussion: CBBA Lisa	“In the letter of intent, local government support has been mentioned many times. However, the Chinese government takes a very cautious attitude to overseas campus cooperation at present and is sensitive to the ideological influence of foreign education institutions. There are no details associated with the local government’s	Regional government support policy	Regional strategy

	support to ensure approval from the education authority of the central government. Does regional government support cover this sensitive issue?"		
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After evaluating the data collected, I decided to manually transcribe the source materials. I analysed the data step by step, identified codes and refined categories, and summarised the emerging patterns (Miles et al. 2013). The coding and data analysis were rigorous manual processes using multiple Excel spreadsheets and open coding. Each step was followed by a review and reflection procedure. Four main factors influencing IPAs' promotion of investment between China and the UK emerged from the data collection and analysis through the first action research cycle.

(1) Policy advocacy function: I reflected on the conversations with Mrs Li and my colleagues after the second meeting, and found the points which she had emphasised: This project relied heavily on the provincial government policy – it promised to invest 2 billion CNY to strengthen the regional education sector by building a first-class university. H group wanted to get free land and this vast amount of government support.

(2) Targeting industry: The target industry of H group is higher education; it is particularly interested in introducing a world first-class overseas university to Henan Province. After a meeting with University Q we received feedback that its international cooperation office had decided not to carry on with this project. The reason was the report under legal due diligence that Mrs Li has only a private X College in China which has no experience of setting up research centres/institutions and no postgraduate level education yet. University Q as a world-famous research university believed that Mrs Li's company would not strengthen the university's reputation but have rather the opposite effect. University Q is keen to cooperate with the top universities in China that would maintain its reputation. We fully understood that the expectations of the H Group and University Q were very different. My colleague Robert sent me this news an email (please see Appendix 9), and I forwarded it to Mrs Li, who then had a second meeting, this time with University L. After three

such meetings, we realised that the industry and MNE targeting is strongly influenced by the first factor – the policy advocacy function, especially in the public education section.

(3) Information accuracy: After two meetings with top universities in the UK, H group understood that top universities in the UK fiercely protect their brand and reputation (O as ownership in Dunning's OLI framework) and are very careful of them. They will not cooperate with foreign business or universities that do not meet their criteria. The ability to impact on a UK's university's future ranking in the world, especially in a research focused university, was ignored by the Chinese party's H group, even though such information was critical. When we moved to the third university, we found that the information about it collected in China was not the same as what we had provided to the UK side, especially concerning the students and faculty numbers, and this had a negative impact on the final result.

(4) Adaptation to cultural differences: To grant Masters' and doctoral degrees requires a very high standard of teaching and research capacity. It is a long-term project and British culture, traditionally conservative, would want more than 12 months for a decision to build an overseas campus for 15,000 graduates and postgraduates. Guanxi is inapplicable in this case. Through observation, I also witnessed first-hand the different characteristics of Chinese entrepreneurs. Mrs Li, for instance, is a typically successful Chinese entrepreneur: competent, practical, with strong qualities of leadership and a good relationship with the regional government. I suggested that she should adapt her demeanour to British culture, and this she accepted and acted upon.

I reflected on the processes and adjusted our action plan accordingly, persuading the Chinese party to adjust its expectations. I drafted a new proposal to carry on the project successfully. I was not only applying conventional action learning by asking the necessary questions and discussing initial problems with the focus group and our learning set. I also thought critically, on the basis of the three classical tasks of IPAs theory, OLI framework and Three

layers of Investment promotion, to seek evidence and the research themes emerging from the data.

4.3 Action research cycle 2

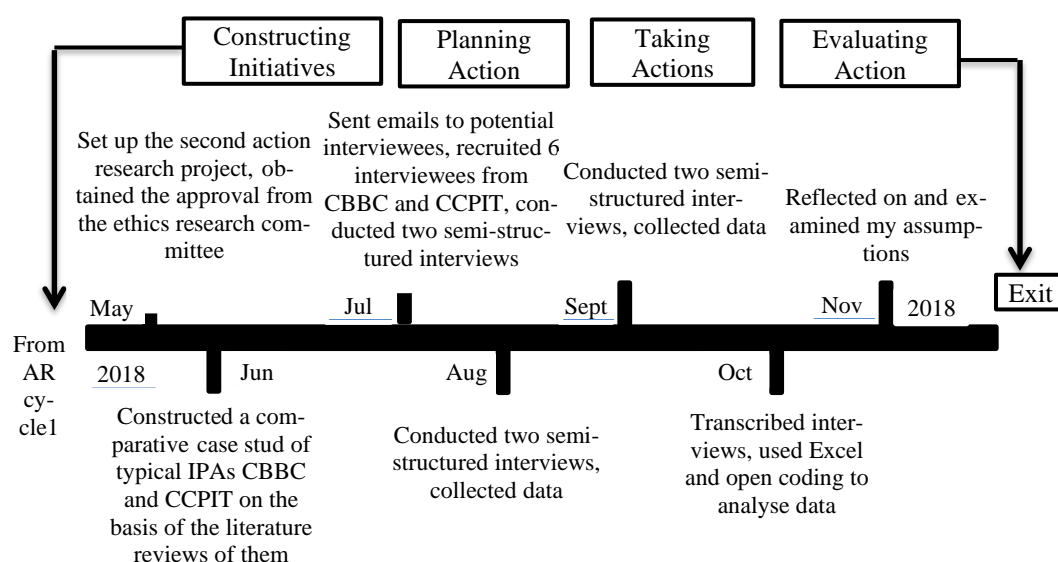
In order to minimise the risks associated with inside research and convey the scale and scope of the thesis, I conducted the second action research cycle, which took six months to complete (see Figure 4.4 Action Research Cycle 2 Timeline). The second research cycle allowed me to become more of an impartial observer and less of an insider researcher. Any new or different information that emerged would expand my understanding of the cases. As noted above, I investigated two large investment promotion agencies between China and the UK, CBBC and CCPIT, and compared them in a case study. I also conducted interviews to help examine the outcomes.

I chose CBBC because it is a leading organisation in promoting trade and investment between the UK and China with experts in 11 UK offices and 15 overseas Chinese locations. CBBC operates alongside the British Chamber of Commerce in China to support companies of all sizes and sectors from multinationals to small and medium enterprises. I chose the typical China IPA of CCPIT, as explained above, for its similarity with CBBC, which is the best representative of IPA practices between two countries. CCPIT is the oldest and largest non-governmental organisation subject to the Ministry of Commerce of China (MOFCOM) with a total of 142 branch IPAs.

Figure 4.4 Action Research Cycle 2 Timeline

Action research cycle 2

May 2018- Nov 2018(6 months)



4.3.1 Action research cycle 2: Phase 1, Constructing initiatives

This thesis investigates three research questions and seeks to identify the factors that influence IPA promotion to attract inward FDI from the emerging market of China to the UK, and to improve our organisation IPA promotion performance. When I discussed how to improve the promotion performance of our organisation with one of the senior partners in my office, I was concerned that shared experiences and implicit knowledge might risk missing some key points. In order to minimise the risk of inside research, I decided to conduct the second action cycle using a comparative case study of CBBC and CCPIT for small in-depth analysis within an authentic context (Feagin, 1991; Yin, 1993; Stake, 1995).

The comparative case study of CBBC and CCPIT offered me a method to “preserve the multiple realities, the different and even contradictory views of what is happening” (Stake 1995:12). This would allow me to extend my understanding of the impact of the factors in the IPA’s promotion techniques and evaluate the performance of both CBBC and CCPIT based on these

variables. I constructed initiatives involving CBBC and CCPIT case study, and obtained the approval of the ethics research committee in May 2018.

4.3.2 Action research cycle 2: Phase 2, Planning action

In phase 2, my main action was to recruit six participants from CBBC and CCPIT for the semi-structured interviews: two senior managers, two middle managers and two key staff members. Inclusion criteria were that the participants should all hold substantive responsibilities in their organisations and have special experience in international business promotion and international investment promotion. To ensure the objectivity and neutrality of the results, the three criteria that I identified in recruiting participants were (1) A position in the organisation at one of three levels: staff, line manager and senior manager (more details are provided in the following paragraph); (2) Experience in agency promotion practices, with an ability to share real-time information about investment promotion; (3) Being known to me and prepared to accept my request for an interview.

As reported earlier, I identified six interviewees from CBBC and CCPIT based on their job title or position: two senior executives who were responsible for the practices in the overall promotion strategy, two middle managers who were marketing managers from the education sector and were expected to deliver on the strategy of an agency's practices in this area, and a further two key staff members who were events coordinators or team members from the marketing department working on IPA promotion activities. In selecting the respondents from these IPA organisations, I identified the individuals who could best help me to understand the case, by providing a variety of views from their different viewpoints.

Another factor that I had to consider was the sample size in qualitative studies. Researchers generally use saturation as a guiding principle during their data collection. According to Guest et al. (2006, p.59), "although the idea of saturation is helpful at the conceptual level, it provides little practical guidance for estimating sample sizes for robust research prior to data collection".

During the literature search for the background to my study, I found several sources of guidelines for actual sample sizes: Creswell (1998) advised that a research sample for phenomenology is from five to 25; Morse (1994) preferred at least six; I chose six individual interviewees, as particularly appropriate to what is called "funded work" (or work limited by time) (Green and Thorogood, 2009). All the questions were addressed to the interviewees in a different order to respect the flow of information exchange and respect each interviewee's desires in sharing.

I had considered potential conflicts of interest between participants from two different agencies associated with the two countries' governmental bodies, so I decided to interview only those participants in the UK. All the participants were from the CBBC and CCPIT's London offices. Regarding the senior executives in CBBA and CCPIT, it seemed likely they would be difficult to approach. I once wondered whether I needed to seek help from resources or focus on the available secondary data, for example, online video interviews, but in fact, the senior members were very cooperative and readily answered my questions when I approached them. For the dual roles in my research subject and in my workplace, I received much support from participants and senior management because all of us were looking for a better way to improve our effectiveness in investment promotion activities and were looking forward to changes in management. I applied three steps in the interviews in my action cycle: designing and planning interviews, conducting interviews, and making sense of the interview data.

4.3.3 Action research cycle 2: Phase 3. taking action

I collected data by conducting three semi-structured interviews that were based on the three research questions. My idea was to try to collate the primary data in a manageable form: "Interviews are generally used in conducting qualitative research, in which the researcher is interested in collecting 'facts', or gaining insights into our understanding of opinions, attitudes, experiences, processes, behaviours, or predictions" (Rowley, 2012, p.261). I moved to the phases of interviewing after I had obtained the approval of the ethics research

committee.

The semi-structured interview is a more flexible version of the structured interview which “allows depth to be achieved by providing the opportunity on the part of the interviewer to probe and expand the interviewee's responses” (Rubin and Rubin, 2011, p88). When undertaking such interviews, I used a basic checklist that would ensure all the relevant areas were covered. The reason is that the semi-structured interview is not only a rigorous set of open questions but also generally a framework of themes to be explored. This process allows new ideas to be brought up in the dialogue (Rubin and Rubin, 2011). I prepared an interview guide in advance, which helped me to put questions to different participants in different ways. I prepared some sub-questions in each of these three research questions, for example:

- What promotional practices were used by your colleagues?
- What challenges and issues were faced in implementing these?
- What lessons can be learnt from these experiences and how could the practices be further improved?

The preparation helped me to tailor my three main questions in the interview context. I held six individual interviews (see the Interview questions in Appendix 3) from June to September in 2018. I took it into account the closeness of the interviewees to the details of the IPA promotion in the education sector, and also their willingness to share real-time data about projects. As a practitioner-researcher, I had to maintain good personal engagements with the interviewees to keep their trust so that reliable data could be obtained. In my practice, six critical issues in conducting interviews affected my research outcomes: obtaining the participant's trust (an essential factor in ensuring that participants provided effective responses); paying attention to social and cultural interactions; using the correct language; getting access; choosing the right location for interviews; and recording interviews. Some of my interviewees from CBBC and CCPIT were Chinese, so I used Mandarin as the interview language for communication in greater depth. After the interviews I sent the transcribed content to the participants via email to confirm the content.

The interviewees from CBBC and CCPIT work at the biggest IPAs promoting Sino-British trade and investment in the UK and China. I analysed the factors from different perspectives, particularly from the cross-country perspectives rather than from that their own organisations. The interviewees had sufficient information and practice to draw a very comprehensive picture. One CBBC senior manager had a very busy schedule, and only after changing interview appointments three times did an interview take place. At the interview, she gave us advice that led to a further literature review on regional strategy. In her experience, targeting industry and regional strategy had priority in IPA promotion practice. Similar responses were noted from the CCPIT interviewees. CCPIT overseas staff are recruited through a strictly competitive selection process, so, even at the staff level, their opinions were very sophisticated and their experiences rich. In contrast, one CCPIT senior manager was conservative, not wanting to comment much. I understood her caution and discussed the differences in policy advocacy between the levels of central and provincial government. She suggested that regional strategy and targeting industry are the key factors at the provincial level and also said that a larger project for example, a nuclear and telecom project (such as Huawei) would involve top-level government agencies and policy advocacy would be the key to a successful project. The interviewees' answers were valuable, they gave different views and recommendations for improving IPA performance, and we considered adjusting our assumptions before drawing conclusions.

The three semi-structured interviewees from CBBC ended in July 2018. I had the first successful external interview with a middle manager from CBBC at a big event – the China (Shenzhen) – UK (London) economic and trade co-operation conference held in London. This conference held by CBBC in June attracted around 500 guests from two countries and created a good opportunity to interview targeted interviewees. In the UK, CBBC is one of the well-recognised bodies holding large-scale events for promoting Sino-China business relationships. I found it easy to have a face-to-face interview in the reception area or during a break in the events because my targeted interviewees wanted to discuss promotion issues with me. Most of my interviews at these events were face-to-face. I had three interviews with CCPIT staff and

managers in August 2018.

It was natural to change my style of interviewing when I discussed issues with external participants at different levels. I used Chinese and English to interview different participants (see the three bilingual questions for a semi-structured interview in Appendix 3). These questions were sometimes divided into five or six sub-questions. I audio-recorded the interviews and partly used field notes. I also wrote memos to record ideas, extract meaning from the data, for musings and for reflections. Memos work together with other sources of data, such as records and field notes, to provide supporting documentation for my action research. While transcript and field note data were included in my memos, the process of memo writing required me to acknowledge and demonstrate the logical processes that had led them to become concepts. Memos played a crucial role, transporting the research from the concrete to the conceptual (Strauss and Corbin, 1998).

From the time my study was conceptualised, memos also helped me to clarify my thinking on research questions and provided subjective perspectives about the field of my research. The following sources from coding memos give simplified examples of these: to the question ‘How can the effectiveness of IPA practice and activities be improved?’ the answer is “...strong government support is one of the main factors in determining the effectiveness of investment practices and activities in China, province policy is specific and focuses on local economy, and central government level is more general than local...” “... create new employment opportunities from business start-up expansion and investment retention in target sectors...” I came up with a defining statement that “strong government support is one of the main factors”. This description could also be extended to other actions, i.e. “the policy advocacy function is different between the province and central government level ...” The above discussions enabled me to articulate, explore, and contemplate my interpretations through memo taking. Similarities and variances were categorised, relationships and assumptions were explored. Table 4.2 provides examples of the description and analysis of semi-structured interviews.

Table 4.2 Description and interpretative analysis: An example of semi-structured interviews data

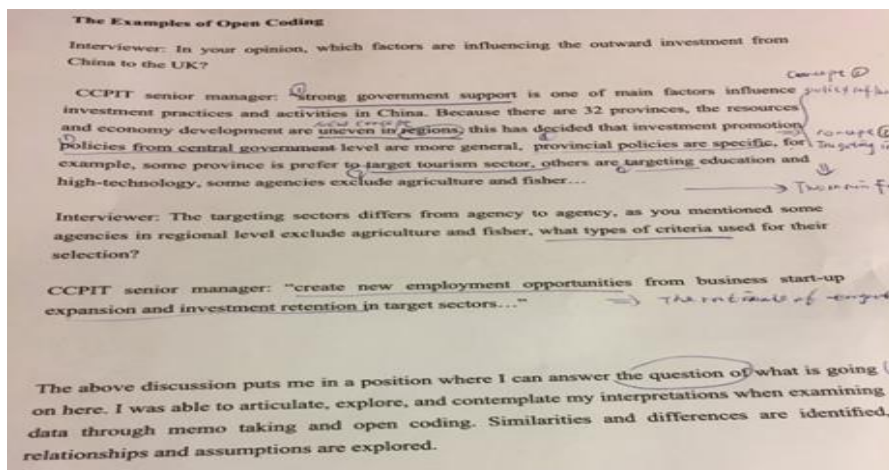
Interviewee	Description of the phenomenon	Concepts	Categories	Questions
CBBC senior manager	"I think the regional strategy is one of the main factors determining the effectiveness of investment promotion agency practices and activities at the provincial and central government levels."	Regional Strategy	Factors influencing IPA promotion	Q1
CCPIT Senior manager	".... strong government support is one of the main factors to determine the effectiveness of investment practices and activities in China. The provincial policy is specific, and central government level is more general than local ..." ... "create new employment opportunities from business start-up expansion and investment retention in target sectors..."	Policy advocacy, Regional strategy, Target sectors	Factors influencing IPA promotion	Q1
CBBA manager	"...target sector combined with market access can increase inward FDI from China to the UK" ... "the investors lack information about UK businesses ...language barriers cause communication difficulties for Chinese investors..."	Target sector, Information accuracy	Increasing inward FDI from China	Q2

Looking at these data, I find that the evidence supports my assumption about research questions because the interviewees held similar opinions to mine. There is evidence that in order to improve the effectiveness of promotion by agencies we need to think about regional strategy. I reflected upon why I thought information accuracy was more important than regional strategy and found that it was derived from my work experience and the literature review. We have learned the lesson that Chinese parties lack information about UK business when they come to us, and their frequent changes of minds

sometimes made them seem inefficient.

The distinctive feature of qualitative research is the “text” rather than numbers. The text most often consists of transcripts of interviews or notes from participant observation sessions, but ‘text’ can also refer to pictures or other images that the research examines. The data that I collected from the field were mainly unstructured. I had to make sense of field data through transcripts, in order to identify and refine essential concepts.

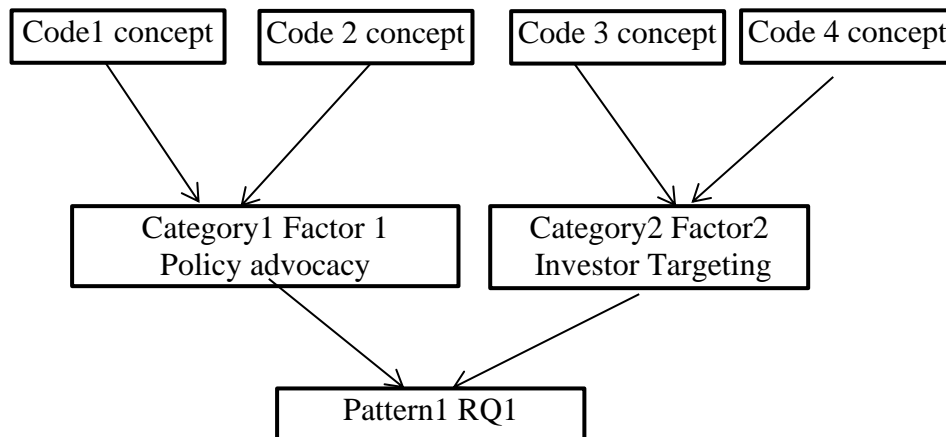
Example of open coding



To build concepts from a textual data source, I opened up the text to expose the meaning, ideas and thoughts in it. One of the processes of analysing textual content is open coding (Flick, 2007). Open coding means labelling concepts and defining and developing categories according to their properties and dimensions (see the above example of open coding). First, I grouped similar properties from the interviews under the same concept allowing concepts to represent a range of coding. Then I used the category to express the scope of the concept, generating five initial coding categories based on the three research questions: Policy advocacy, Targeting industry, Information accuracy and cultural adaptation, Regional strategy and other. Finally, I identified patterns (themes) and tied the field data to the research objectives. Similar properties from the semi-structured interviews were grouped under the same concept. Seeing Figure 4.5, showing the materials and emerging patterns that

covered the primary topics of IPAs (one or many) and inward FDI brought more clarity to the perceived relationships.

Figure 4.5 Coding and data analysis for examining the materials and seeing emerging themes



The three levels are what Strauss and Corbin (1998) would describe as mental structures built up through 1) Concepts; 2) forming composite categories (i.e. robust, deep, thick) through axial coding; and 3) emerging as themes. The coding and analysis of the data content form a rigorous process. I used multiple Excel spreadsheets to categorise the materials and content into structures. Each stage was tracked by a reflecting process to explore meanings and interpret the findings and patterns. For all the discussions and interviews, I also documented perceived any signs of sentiment and mannerisms, positive and negative emotions being noted in a journal during two series of spiral action research cycles. This was the key to ensuring accuracy. The actual time was inserted at intervals into notes during the recording of the focus group discussions and semi-constructed interviews. This mirrored the procedure for the focus group discussion.

4.3.4 Action research cycle 2: Phase 4. evaluating action

By comparing case studies, I examined my assumption from outside the organisation and reflecting on other people's opinions reminded me how to think critically. "Action has two aspects: inside me and outside on the problem in the organisation; learning is similar both to the outside problem and me" (Pedler, 2008, p.25). In this way, I found that my potential biases came

partly from my role duality as an inside practitioner and researcher, and partly from my background characteristics. Miyazak and Taylor (2008) discovered three categories of interaction bias: psychological characteristics, physical characteristics and background characteristics. The size and history of my organisation limited my knowledge and understanding of the influential factors. I knew that my assumptions needed to be tested to minimise my bias; that was why I conducted the two case studies of CBBC and CCPIT. I was pleased that the three main factors, namely, Policy advocacy, Targeting industry, and Cultural differences worked in the right direction, However, I missed the regional strategy, although I always accepted its importance.

Provinces are increasingly copying the marketing tactics that nations use to raise their profiles. A strong provincial brand encourages tourists, trading partners and investors simultaneously. The “go global” strategy is not only applied by Chinese companies, but also regional governments. Image building strategies are very similar whether marketing a nation or a province. In fact, one map shows the GDP of China’s provinces compared with that of other countries, see Figure 4.6 China GDP in 2020 by Province, shown below.

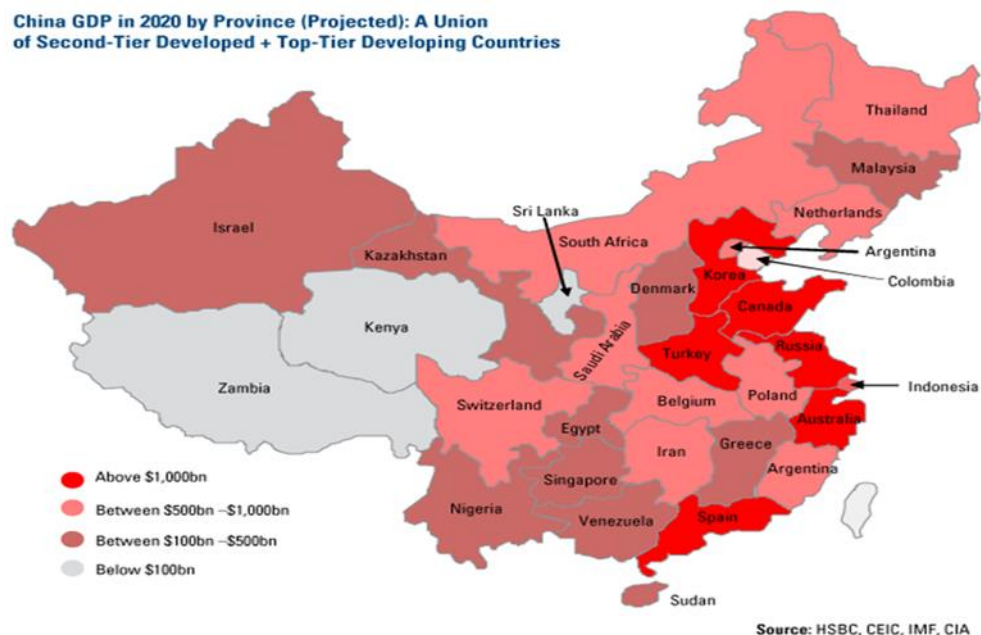


Figure 4.6 China GDP in 2020 by province

Emerging markets and rising incomes in developing countries make great demands for quality international business. China is the right partner because the dramatic expansion of its outward FDI in both industry size and market activity have shot it into its "golden age". In the interviews, I saw emerging themes: (1) Policy advocacy function. The key challenge for policy makers is to design a mix of clear and efficient policies that are suitable for the country's circumstances and developmental strategies. A senior manager from CBBC commented that there were few sectors as impressive as education in the UK's economy with the capacity to grow and generate export earnings; (2) targeting industry. The UK's education, pharmacy, NHS, AI technology and tourism are recognised globally for their excellence. CBBC works with the British Council, DIT and others to communicate what UK education has to offer in such key target markets as China, India, USA, Brazil, Mexico, Indonesia, Turkey, South Korea, Russia and emerging nations within Europe; (3) Regional strategy. The senior member from CBBC told me that she thought regional strategy was more important than information accuracy. Information is accurate when an individual organisation lacks the channels to enter a new market. However, it is not the main factor influencing the way in which agencies attracting Chinese investors and inward FDI. After I reviewed the literature again, I agreed with her and adjusted my assumption in Chapter 5 accordingly; (4) Adaptation to cultural differences. The place of most IPAs is between government and business. They are accountable to governments, but at the same time have to operate in a highly commercial climate. Therefore, they require a broad mix of skills. Adapting to cultural differences is essential for promoting international business between the two countries. CBBC successfully recruited some staff with a Chinese background to provide services to businesses; however, CCPIT has recruited no local staff in their overseas branches. After conducting two action research cycles, I learned more about our weaknesses and understood the importance of active learning in my organisation. Based on the idea that four factors, not two, are influencing the foreign direct investment attracted from China to the UK, our marketing team planned to develop new ways of thinking in our organisation. Action research has helped me to sustain organisational learning processes better than other forms of research. Furthermore, the constructivism that

informs our organisational learning emerges not from traditional Chinese methods of class teaching, but occurs when we discover knowledge through experiences and act and reflecting on them.

4.4 Chapter summary

In the research design chapter, I demonstrated the timeline of two series of action research cycles and detailed how they were actually conducted. They had 4 phases based on the research questions: constructing, planning action, taking action, evaluating action in my own organisation, and comparatively studying the cases of CBBC and CCPIT.

I applied data triangulation in my qualitative study to ensure the trustworthiness of the research. Two series of action research cycles used various methods of gathering and analysing data, such as focus group discussions, semi-structured interviews, interpretive phenomenological analysis, open coding and documents (Denzin 1978). I was an insider at CBBA (Coghlan et al., 2014), facilitating change in a highly structured environment. In the case study with CBBC and CCPIT, I was an outsider analysing results for a case study; this process tends to be opinion based as well as being based on the action research method.

The first action research cycle showed that my assumption about the factors influencing IPAs' investment promotion was moving in the right direction. Based on my workplace scenario, I reflected and saw the emergence of the four main factors in our projects: policy advocacy, targeting industry, information accuracy and adaptation to cultural differences. In the second action research cycle, I had interviews with CBBC and CCPIT staff and managers, all senior executives who provided valuable opinions in answer to my research questions. The primary interview data were based on three open questions. After the data collection and analysis, I examined my assumptions and found I had been biased about the factor of "regional strategy". This allowed me to extend my understanding of the impact of the variables in IPAs' activities and evaluate the performance between CBBC and CCPIT on the basis of

its influential factors. After reflection I realised what the four main factors influencing inward FDI attraction were (see above). Action research helped me to sustain organisational learning processes better than other forms of research.

Chapter 5 Discussion and Outcomes of the Research

5.1 Introduction

In this chapter I assess the evidence around the research questions, and present the outcomes of my action research and comparative case study of CBBC and CCPIT. These challenge my assumptions about the research questions.

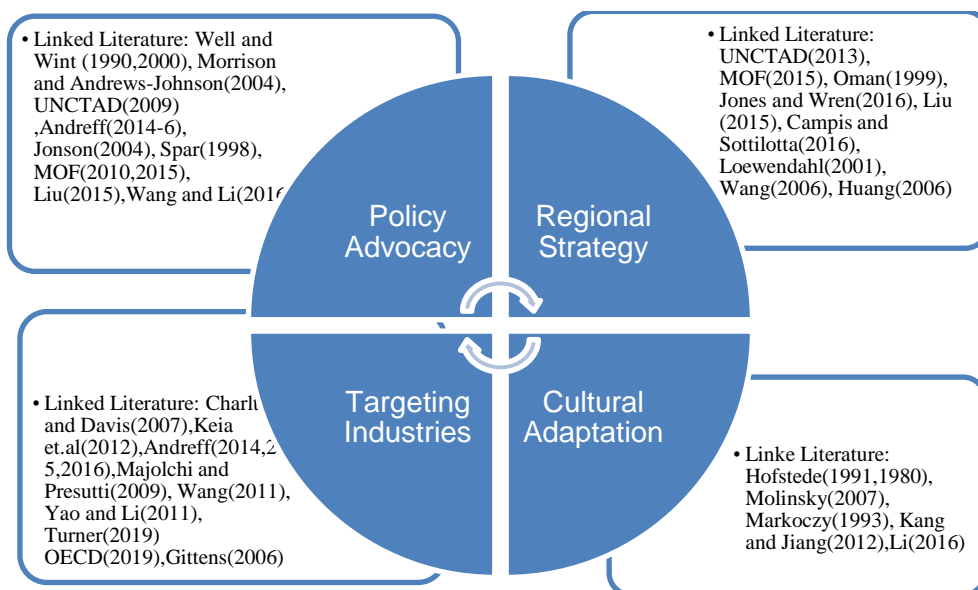
In attempting to answer the first question and central question, I conducted literature review about IPAs, IPA investment promotion and inward FDI attraction in Chapter 2 to see what others had studied. However, I did not cite the existing literature without questioning its relevance to my study. I selected some papers which were judged useful and applied them to my study where suitable. I initially identified four influential factors on investment promotion regarding the central question: policy advocacy and regulations, information accuracy, targeting industries and adaptation to cultural differences between East and West. However, having conducted the research cycles and collected the spoken data. I realised during the second action research cycle that the senior managers from the leading organisations in this field had different opinions about the four factors influencing investment promotion. The in-depth interviews and the observation of the participants revealed the barriers from my assumptions arising from my work experiences and the literature review. Working at the national level of IPAs to promote Sino-British trade and investment in the UK and China, the interviewees from CBBC and CCPIT were analysed these factors from a broader perspective, particularly from the perspectives of entire countries rather than their own organisations. They had absorbed enough information and practices to draw a more comprehensive picture. They advised me to include regional strategy within a nation as one of the main factors determining the performance and effectiveness of agencies' promotion of investment between China and the UK. The regional strategy was mentioned and, in most cases, pointed out emphatically by the interviewees and participants. The senior members from CBBC and CCPIT not only talked about the importance of regional strategy, but also mentioned the critical position of Hong Kong as the bridge between the two

countries in the work of IPAs. According to them, around 60% of inward FDI to China came through Hong Kong, which is also the main source of inward FDI to the UK. The data gathered, coded and interpreted uncovered the key themes that I had missed, as revealed through the data analysis.

5.2 Discussion of research question 1: What factors influence IPA promotion practice in attracting inward FDI from the emerging market of China to the UK?

In investigating this central question of the research, the review of the literature drew out some insights. Through action and case study, I linked the research findings to the literature, developing Figure 5.1. The key findings are presented in the following sections. Following the literature review

Figure 5.1 Link from the research findings to the literature



and action cycles, I explored and tested the data collected from the action phases under study. Testing became an integral part of the analysis and interpretation in the action research process. In this way, knowledge and wisdom were accumulated from past and present research activities and programmes in the IPA field.

Looking at the discussion about policy advocacy, I find that the earliest research is by Wells and Wint (1990) who identified three tasks of IPA function. This list omitted policy advocacy, because most of the IPAs at the time were among the government agencies with policy-making functions. After a decade of development, the share of quasi-governmental IPAs increased dramatically as business sectors became increasingly involved and recruited more professionals from different industries. Young et al. (1994) first proposed that the policy-advisor function is the most important task for IPAs, so in Wells and Wint's updated research they proposed the fourth task of IPAs as "policy advocacy". Similarly, Morisset and Andrews-Johnson (2004) discussed the impact of governmental policy on investment climates. In China, all IPAs are funded by the Chinese government; therefore, the roots of IPAs have remained with government policymakers since the inception of IPAs. In the literature review more than ten articles from Western and Eastern academics claimed that policy advocacy was mostly concerned with attracting foreign investment.

Looking beyond the UK and China in his studies, Andreff (2016, 2014) broadened the research to include four BRIC countries, concluding that Outward FDI from Russian and China had been used as a tool of foreign policy and diplomacy. The above studies indicate that policy advocacy is the most critical factor. In Chapter 4, action research and the case studies also showed the strong influence of governmental policy in investment programmes.

The literature on regional strategy may start from the IPA mission, which is to attract investment to a country, region or city (Campisi and Sottilotta, 2016). UNCTAD (2013) surveyed IPAs, one-third of which reported having a network of sub-national investment promotion offices within a target country, and these are often independent promotion offices. National IPA usually plays a coordinating role, directing investors to local agencies. IPAs need to be coordinated at the national and regional levels because within-country regional agencies are often competing for the same investment projects. In China, a network of sub-national IPAs has been developed to promote the image of a region, province or city' to attract targeted industries. Chinese

authors also conclude that quasi-government structures are most suitable for China's current conditions at both the national and provincial levels. They further advocate flexibility in opening up to private IPAs at the city level, especially for those cities that lack resources (Liu, 2015; Wang, 2011; MOFCOM, 2015). In the UK, the government as a regional strategy promotes the "Midland engine" to develop the Midlands (Handley, 2017). Similarly, China has devised regional development strategies, for example, the Guangdong, Hong Kong, Macau Great Bay Area, Yangtze River Delta, Pearl River Delta, etc. As discussed in Chapter 2 some national IPAs were found to have asked regional agencies to "buy-in" in order to target sectors so as to integrate investment promotion at the national and regional levels (Jones and Wren, 2006). The two groups would share the cost of marketing. In Chapter 4, both action research and case studies are based on regional development strategies, where provinces have set up a local development initiative to strengthen the local economy.

Investment promotion programmes attract only a certain kind of investor, and provide services to prospective investors in the targeted industries. The literature on IPA and FDI in education is limited partly because there is less FDI in education than in other sectors of the economy; and also, this category of FDI motivation is strategic asset seeking. Therefore, FDI in education is limited but growing in developed countries and in developing and transition economies, though most of it is invested in developed countries. This trend is likely to continue, given the expansion of education (OECD, 2019; UNCTAD, 2003; Patrino et al., 2009). Investment by emerging countries in developed economies usually seeks strategy assets and access to IP and technology. This adds to the value chain of products and services while investing in developing countries and is often aimed at resource seeking (e.g. natural resources, cheap unskilled or semi-skilled labour). In China, Yao and Li (2011) discussed "double surplus": FDI outflows concentrated in three areas through overseas mergers and acquisitions: Foreign resources and energy, market services, and advanced manufacturing and technology, thus expand production and value chains. Wang (2011) observed that CCPIT helps to introduce advanced foreign technology in China and technological cooperation

with other countries. Charlton and Davis (2007) studied 22 countries from the OECD between 1990 and 2001 and found that the targeting of an industry increased the growth of FDI inflows into this industry by 41%. Looking beyond the UK and China, Andreff (2016, 2014) found three similar characteristics of outward FDI among emerging markets. One is that BRIC countries are interested in M & A rather than greenfield investment, particularly investment targeting technological assets in developed countries. In Chapter 4, I explained why I chose the education sector as our targeted industry and how to make progress in action cycles by the implementation of a targeting strategy.

Cultural adaptation is one of the key factors in influencing IPA promotion. Cultural distance is considered the main barrier to the legitimacy of multinational enterprises in host countries, thus affecting the choice of an FDI location (Kang and Jiang, 2012). From the perspective of theory, Hofstede (1991) discussed how far cultural differences affect the working practices and methods that could be transferred from one country to another. Markoczy (1993) concluded in his study that the effective transformation of different cultures benefits mutual learning. Molinsky (2007) claimed that cultural adaptation could increase trust and positively affect an organisation's success. As mentioned in Chapter 2, China and the UK have some fundamental differences in terms of historical background and location. Despite China's status as one of the world's biggest countries in its share of outward investment, Li (2016) argued that China's outbound direct investment is still in its infancy, with some the outward FDI from Chinese MNEs directly replicating the original domestic management model, neglecting labour rights and even damaging the ecological environment of the host countries. Lack of integrity leads to criticism and has even caused the boycotting of Chinese investment. In my action research, I analysed the evidence of cultural differences that had caused problems for decision makers and had impacted on the effectiveness of IPA promotion. I communicated with CBBC managers, who said that the behaviour of investors and customers are different due to cultural differences. British investors prefer to conduct market research before entering the Chinese market, whereas Chinese investors, in contrast, prefer to one-to-one meetings

before entering the UK market. These differences impact on the effectiveness of IPAs' work.

In all the Chinese dominated societies in Asia, including mainland China, Taiwan, Hong Kong and Singapore, the Guanxi network is a social and cultural dimension with a human element. It represents a major pattern of cultural adaptation. On the surface, Guanxi may seem very similar to Western business networking, but it is radically dissimilar. The foundations of Guanxi present a new framework from the business perspective that involves adaptation, trust, opportunism and favour (Wang and Chan, 1999). Identifying Guanxi's gateway ties contributes to the power of corporations and individual businesses to thread their way through Chinese bureaucracy and hierarchical levels. We acknowledge that our investment performance could improve through Guanxi networks; this would give us more opportunity to access the market and grow.

In the literature and my work experience, I found that small and medium-sized enterprises (SMEs) rarely have sufficient knowledge of the public sector to find their way around, especially with regard to foreign countries. Gordon and Bovenberg (1996) argued that foreigners' lack of knowledge could result in less efficient use of resources. Similarly, Harding and Javorcik (2011) claimed that information asymmetry is linked to the effectiveness of IPAs. However, with our large business partner in China, information accuracy factors are less serious because big corporates have abundant financial support and human resources to obtain comprehensive information before going ahead. I collected data through semi-structured interviews while running the second action research cycle. The participants gave opinions and evidence that regional strategy is the key factor in the success of IPA projects. The interviews also showed limited evidence to suggest that information accuracy is the key factor in the effectiveness of IPA promotion in the two countries. Providing information to investors is part of an IPA's services. Therefore, in Chapter 4 I made an adjustment in the relative importance of the issues that impact on IPAs' work.

In summary, the factors influencing IPA practice in attracting inward FDI from China to the UK are: (1) Policy advocacy and regulations; (2) Regional strategy; (3) Targeting industries; (4) adaptation to cultural differences between East and West. If we manage the factors well in our IPA practice and activities, our performance could improve and increase the flow of FDI from China to the UK.

5.3 Discussion about question 2: How can we improve our organisation's performance?

Our organisational growth relies on service fees that are charged for attracting more investors and businesses from China to the UK. We did not meet our revenue target although we had used sound marketing strategy in targeting industry in the last few years. A big investment project is normally contracted on service fees paid in instalments, but IPAs face a common problem. It is hard to collect all the service fees after setting up the connection between investors and clients. The truth is that many IPAs in a similar situation did not achieve their market targets either. Most IPAs are well aware of the need to improve their performance and attract more FDI from their target regions (Wells and Wint 2000, Charlton and Davis, 2007). We now realise that sustained, profitable revenue growth remains a challenging task for most organisations (Lechner and Kreutzer, 2010). Unsatisfactory results are generally ascribed to mistakes and weakness but through action research, I have found out our weaknesses and biases. I discussed the four influential factors in attract foreign direct investment from China to the UK with managers and others to develop new ways of thinking within our organisation. In addition, we are planning to increase the number of our offices in China and extend to hi-tech business, especially in artificial intelligence (AI) in the education sector.

There is increasing pressure on our organisation to demonstrate that we can be effective in attracting inward investment from China to the UK, since emerging countries are actively investing in strategic assets – new technology and other targeted industries in the developed economies. I will address this

research objective under two headings: (1) Improving personal promotion performance; (2) Improving the organisation's promotion performance.

5.3.1 Improving personal promotion performance

As a practitioner, my knowledge, based on work experiences, has its limitation. I challenged myself to keep thinking on an abstract level when I work on investment projects. How can I handle the complex interactions between my organisation and the classical tasks for IPAs? How can I work with stakeholders and across teams to deliver an inward investment project based on the Dunning OLI theory and a three-layer investment promotion framework? In response to these challenges I need to span academic and practical knowledge to ensure that my practices are relevant. I must think strategically to help the design of my action project. It takes more time than I had anticipated to familiarise myself and apply this in my workplace. As an insider action researcher, it is critical for me not only to reflect on my own patterns of thinking and action, but also those of our team jointly based on the procedure of the research. Hence a strategic overview concentrating on action learning objectives needs to be developed for improving my personal performance in attracting investment.

The challenge is that inside researchers exanimating themselves at work in circumstances where their organisations may not be interested in a commitment to action. The nature of this sort of internal research offers a series of challenges to insider researchers. Hase et al. (1999) conducted research on organisations with two or even four faces. Their formal faces are presented to the public and external parties and agencies, and their internal informal private life is little known. The idea of pre-understanding has been paralleled with the concept of tacit knowledge. But there is no substitute for internal understanding and individual experience in the researcher's own organisation and job position. This is a critical element for insider researchers (Coghlan and Brannick 2014). The familiarity of organisational culture and internal dynamics puts the insider researcher at an advantage compared with researchers from outside.

However, the insider researcher must make sure to question assumptions that seem recognisable or familiar from an insider's perspectives. This involves critical internal reflection so that insider researchers are assured that they fully question their individual assumptions. As an insider researcher I need to find ways to access the sensitive information about our organisational database and to balance the potential conflicts between my conventional organisational role and the requirements of the research role. Williander and Styhre (2006) suggested that researchers from internal organisations could turn themselves into two-way channels to bridge academic research and conventional practice in two directions. In my workplace, I acted as a bridge between my organisational role and that of academic research in the investment promotion field, spoke the languages of both business and academia, and transferred between the two directions in action research and action learning. An additional improvement for my team and me has been the insight into our investment promotion, which has enabled me to figure out possible solutions to internal dilemmas.

Action learning involved questioning and challenging executives, and, as Brockner and James (2008) suggested, there are two critical factors that influence executives' view when considering problems/threats opportunities. The first is whether an executive respond to learning and reflection, not only when things become difficult positions, but generally. The second factor is whether an executive believes that crises or problems bring potential opportunities. According to Marshall (2001), self-reflective practice involves determined inquiries that were exclusive to managers. I analysed my own approaches and applied reflection to the workplace. In doing so, I found that action learning achieved the best results when managers and subordinates reflected jointly as a group on the process that they were engaged in. I asked myself for evidence of reflecting with my set members together on investment promotion, so as to help myself to embark on double-loop learning and the improvement of my performance.

I face challenges to improve personal, professional IPA performance and the development of leadership, and to work out difficulties instead of applying

known procedures to problems. According to Day (2000), leadership development is enhanced to the extent that structured opportunities for individual and group reflection are included as part of action learning. Action learning has been sought by scholar-practitioners as a strategy of leadership development. One of the reasons for this is that it is a prominent way of developing the managerial leadership skills needed by companies and organisations. Through action learning, I developed my collaborative ability by addressing complicated organisational issues. As a scholar-practitioner, I found that action learning benefits not only my teamwork but also my capacity to deal with various difficult situations.

Action learning brings changes at various levels to me as a practitioner and also to our organisation. Conducting action research before I had taken the DBA modules would have resulted in ‘mechanistic-oriented’ research consisting of management action and the features of action learning (Coghlan, 2003), aiming to directly solve pre-identified problems or issues in a work context. Now in my DBA action research project the status has fundamentally changed, since I transferred from the MBA level to doctoral level and, learned how to make system changes rather than partial changes in the organisations. In big corporations and organisations, this movement can never be easy; for example, in Amazon and Alibaba even a small change resulting from an individual researcher is unlikely because of the vast and complicated global systems. Change suggested by shareholders to directors is very challenging and a big task for individual managers/researchers and the organisational system to make the required changes together. Nevertheless, small and medium-sized enterprises provided a possibility of securing organisation changes through action learning. In my organisation, since the changes involve marketing and operating systems in two different locations, organisational change is more likely to be made, building my confidence in being a scholar-practitioner.

Through action research cycles and cases studies, I proposed to make a new marketing strategy in my organisation, the main idea being to develop five more business partners in different areas and also to enter a new business unit.

China has 33 provinces, and we will gradually set up five more agencies in China, and provide services based on local resources and regional development strategies. We also intend to run online/AI training programmes, which will introduce hi-tech units in the education sector. I believe each office will bring projects linked to the targeted industries. I will regularly review the chosen growth strategy by assessing the criteria. For example, the business environment may have become more stable and may, therefore, allow us to acquire more partners between the two countries.

5.3.2 Improve organisational promotion performance

In my case, the marketing failure identified is a targeting strategy failure. We need to find the factors and characteristics of the effectiveness of IPA promotion not universally but between China and the UK. It is useful to set out three layers of investment promotion for an IPA in diagram form because three layers of investment promotion will generally determine the appropriate performance levers. Layers also need to be designed in a way that is consistent with the programme objectives. In my case, the action research concentrated on the strategy layer and operational management areas, as discussed in Chapter 4.

Many organisations have difficulty in generating sustainable, profitable corporate growth and fail to attain their targets of marketing growth (Lechner and Kreutzer, 2010). Our senior managers claimed that marketing and sales were the engines of company development. We emphasized the ‘pace of growth’, which is the best growth rate for our agency, meaning that the growth rate was neither too slow nor too rapid, and maintained reasonable growth in terms of scope and scale.

To improve our IPA’s promotion performance, we are considering whether to expand the targeted industries to advanced technologies in the education sector as well; for example, to AI teaching, or the cloud classroom. A trend in the studies is to show that IPAs tend to be more effective where the focus is on high tech industries and not traditional manufacturing. Our resources in the education sector, our core knowledge of Mandarin and Chinese business

culture, and our Guanxi (connections) are associated with our new targeting of business units. Various studies have shown that the further the organisation moves away from its original core skills, the more likely its plans will fail (Prahalad and Hamel 1990), so we remain committed to the education sector and extend the range of business units of education that we offer. In Chapter 2, Series (2008) provided a qualitative method to evaluate the IPAs promotion from two perspectives: (a) “doing the right thing” and (b) “doing the thing right”. We will make a plan to introduce changes into our organisation. It sets out what the IPA’s programme of activities is supposed to achieve and how it is supposed to achieve it.

Action research provides a means to work with participants to reconstruct and transform collective practices, rather than merely describing, analysing and theorising about social practices. These practices are reliable in providing improvements and changes in organisations. As discussed earlier in this chapter, I believe action research is sustainable when it faces these challenges, generating contextualised knowledge on the basis of systematic inquiries, and assessing through measuring the degree of improvement.

It is also broadly accepted that an IPA performs better when it complies with the regional development strategy between the UK and China. For example, the “Midland engine” was proposed as a regional IPA strategy to develop the Midlands in Britain. In contrast, the “Guangdong, Hong Kong, and Macau Great Bay Area” (GBA) tends to be more effective when promoting regional investment in South China. This is why I propose to recruit more provincial officials and connect more business partners. The level of effectiveness is also seen to rise with cultural adaptation, which is a broad topic that includes the culture of both businesses and ethnic groups. China has 56 different ethnic groups; thus, understanding and communication are critical in the work of IPAs. Guizhou Province is a good example. The promotion event held in London in April 2019 started from a dress show to illustrate different ethnical styles of clothing. In the modern era, there is increasing pressure on IPAs to demonstrate that they can deliver impact and efficiency. This has made monitoring and evaluation more and more complicated. That is why many

agencies are now seen to produce an annual report to summarise how FDI has been spent.

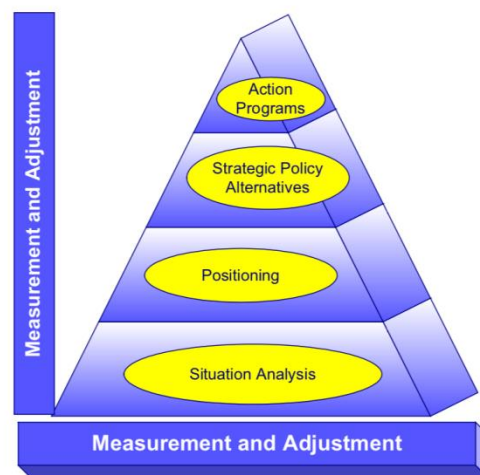
5.4. Discussion about question 3: How can FDI from China to the UK be increased using IPA promotion practice and activities?

China has regained its status as a promising country – India and Brazil are also generous sources of outward FDI. My examination of existing related research starts with two measures that are often adopted by governments for attracting foreign direct investment: one is financial grants and tax incentives; the other is investment promotion (Cass, 2007; Finkenzeller and Spengel, 2004; Wells and Wint, 2000). In the current free global marketplace, financial incentives offering financial grants and incentives are crucial to countries competing with others for foreign direct investment opportunities. For example, tax abatement and investment allowances are means of attracting inward investment. Investment promotion is defined as activities that a government or institution uses to attract foreign direct investment (Wells and Wint, 1990). It is typically debated that the engagement of any organisations in international production will rely on the presence of these three groups of advantages, according to Dunning's OLI framework, with each set of variables performing interdependently. Jin and Lin (2015) are top researchers in China on the "Belt and Road" initiative, a national grand strategy proposed by President Xin Jinping in 2013. It seems to these authors that the initiative has played a decisive role in exploring ways to economic growth, rebalancing globalisation and opening up a new type of cooperation in the region. This strategy calls for massive investment and the development of trade routes in the region (Clarke et al., 2017).

The national-level IPAs play a crucial role through providing investors with data and giving advice on making FDI incentive policies in both countries. These are government or quasi-government bodies responsible for attracting inward foreign capital. However, some private IPAs are similar to ours, in that they have limited resources and face problems, for example, unclear targeting of industries and ineffective promotion strategies. In the process of

writing this thesis, I attended/took part in several IPA political and academic conferences, in one of which the participants mentioned a practical five-step strategy for attracting FDI, which is based on Japan's FDI strategy in attracting inward FDI from China (Mai, 2005; JBIC, 2008; Marugami et al., 2003). These five steps consist of situation analysis, positioning, strategic policy alternatives, action programmes and measurement and adjustment. Japan is an island and has many similarities with the United Kingdom; moreover, these five steps are based on action programmes and can be used in promotion practice, so I have proposed that our organisation could adopt it.

Figure 5.2 Suggested marketing steps for FDI attraction



Sources: The marketing approach to FDI attraction (Mai, 2005, p.14)

In my plan, the first step in the situation analysis comprises learning the trends of FDI, identifying the key players' characteristics and knowing how they respond to the UK's FDI attraction policy. The analysis directly supports the next two steps: positioning and strategic policy alternatives. The fourth step action programmes consist of exact steps and activities to implement the agenda of attracting critical investors of FDI. For this purpose, a special IPA agency must take a leading role. The final step is measurement and adjustment. As the steps succeed one another, I think that situation analysis must be conducted frequently, but the problem with this is normally a lack of position methods. I need to bear in mind that market failure might ensue if potential investors ignored the locational advantages or have a wrong

impression of the business environment of the host countries (Morisset and Andrews-Johnson, 2004). The economic rationale for promotional activities has much in common with that for incentives. I proposed this five-step FDI attraction model, providing an actionable method through which IPAs can affirm what and how they know, contributing to economic and social sustainability. Investment promotion agencies need to overcome their subjective promptings, take realistic methods (e. g. a Five-step FDI attraction model), pay attention to the economic data about the home and host countries, make reasonable judgements and strategies for FDI attraction, and then implement an action programme.

5.5 Wider significance of research outcomes

A key challenge for any IPA is establishing an appropriate system for evaluating their performance. Since investment decisions by organisations are often affected by many factors, IPAs can never claim full credit for the success of any investment project, even if they played a significant role in the process. Moreover, it is particularly challenging to develop methods to assess the viability and impact of not-for-profit activities, such as job creation, in the local business climate. My research findings suggest four main factors with a significant influence on IPAs practices to attract Chinese inward FDI to the UK. They will help to develop an appropriate method for improving IPAs' performance between China and the UK.

For an evaluation system to be successful, it must determine systematically and objectively the relevance, efficiency, effectiveness, sustainability and impact of activities in light of the system's aims and goals. Processes and outcomes themselves need to be assessed by evaluation. Various subjects can be evaluated, including projects (e.g. specific cases of investment), a programme or initiative (e.g. a marketing regime), a function of the IPA, or a process within the IPA such as the feedback and complaints process. The evaluation also asks how such subjects can be improved. In the evaluation of IPAs, factors are seen to be recurring themes which correlate with or affect the results. These factors are independent of the amount of promotion effort that the IPAs

themselves put in. But it may also be said that these factors contribute to the degree of promotional effort that the agency makes. In fact, political support consistently helps an IPA to be successful. In addition, direct political influence and supervision seem to increase the effectiveness of IPAs, for those who report directly to a head of state tend to achieve higher FDI inflow.

Now both countries – China and the UK – stand at the beginning of a new era. The UK faces critical Brexit negotiations with the European Union, and China is promoting the “Belt and Road” initiative, which has been considered the most ambitious initiative in history after the Marshall Plan (The Economist, 2018). This offers the opportunity to shift the “Golden Era 2.0” to a higher level and upgrade bilateral relations. The “Golden Era” started in 2015, when President Xin Jinping visited the UK for the first time. Following the visit, Chinese and British politicians defined their bilateral ties as ushering in “a golden era” for a “special relationship” (Zhang, 2018). Our organisation hopes to build its strength and actively take part in the next “ten golden years”.

5.6 Chapter summary

In this Chapter, I presented the discussion and outcomes of the three research questions in turn. I first presented the outcomes of my action research and the comparative case study, and then evaluated the rigour and validity of the outcomes. I drew on the literature to discuss the research outcomes against the proposed research questions, and then assessed the evidence of four factors around the work of IPAs. Furthermore, I discussed the personal and organisational improvement of IPA performance and suggested marketing steps for FDI attraction. I also described the managers and others adjusting to new thinking patterns within our organisation, proposed a new investment-promoting plan to increase the number of offices in China and extend to the hi-tech unit in the education sector, especially in artificial intelligence (AI) in the education system. However, this needs further development, particularly with respect to issues of market thinness and the endogenous development of information networks. I then proposed a set of five IPA promotion steps for FDI attraction, consisting of situation analysis, positioning, strategic policy

alternatives, action programmes and measurement and adjustment, for the purpose of setting up and improving FDI attraction strategy. I finally addressed the wider significance of the research findings.

The implications for my organisation in examining the meaning of the research outcomes are that it could be used in next year's business growth strategy. As a marketing director, I propose to ally with Chinese partners to open a further five offices after studying regional development strategies in China; from our office, we will start to promote to Chinese investors a new business sector for a high-technology project in the education sector. We will clarify the new market strategy with the Chinese branches, set up Guanxi networks with stakeholders, and enhance cooperation with our main Chinese clients.

Chapter 6 Reflection

6.1 Introduction

Reflection is increasingly recognised as an important aspect of creating management knowledge, and no action research occurs without it. From a practitioner's perspective, the knowledge based on work experience has its limitations. When I am working on investment projects, I challenge myself to link theories. How could the complicated interaction between my organisation and an IPA classical task be implemented together? How can we work with stakeholders and across teams to carry out an inward investment project based on the Dunning OLI theory? Could we apply for three layers of investment promotion in both China and the UK locations? To answer these questions, I need to span academic and practical knowledge to ensure that the practices are relevant. As an AR researcher, reflection on one's own patterns of thinking and action as an insider could act as a bridge between the organisation and the academic world, speaking both the languages of business and academia, and translating between the two domains.

6.2 Development as a scholar-practitioner

As a practitioner, I reflected on my development as a scholar-practitioner. I have gained practical experience and knowledge in my workplace associated with IPA promotion since 2009. Through the DBA journey, I systematically studied nine modules in business administration, gained the skills needed for research, and conducted action research for nine CAL reports on my workplace, which often involved taking action and bringing about organisational change. All the above work has laid the foundation for my scholar-practitioner development, distinguishing myself from a more traditional PhD.

It is important to note that I am not saying that action research should be a more conspicuous method than traditional research methods. Based on UoL thesis requirements and my research field, it is a choice that I have made. Scholarly practices helped me craft my research and made differences in my

organisation and beyond. My experience shows that they lead to the production of professional knowledge which is both rigorous and relevant, and are ideally suited to the development of a DBA candidate.

In this study, I sought a deeper understanding of complex issues: the factors influencing the work of IPAs to attract inward FDI from China. The journey through the required steps of action research was particularly challenging. I asked myself many times “Am I ready for this practitioner-scholar development?” and felt doubts about the relevance of the academic side. My thesis research process started from determining the problems and questioning, then making a literature review, two series of action cycles, and reflection throughout the three-year writing journey. Two series of action research cycles with timelines in my research used a range of methods, including focus groups, semi-structured interviews and open coding, to collect and analyse the data. The study demonstrated the relevance of the analytical process of applying an IPA’s classical tasks, the Dunning OLI theory and the Three Layer Investment Promotion to practice. Four factors influencing IPA promotion emerged as the research outcome, while actionable knowledge about improving my organisation’s IPA performance was rigorously developed and relevant to practice.

In addition, I attended a wide range of conferences, programmes and workshops in the IPA field hosted by CBBC and CCPIT, universities, and export and investment institutions, in order to develop my scholarly practices in the IPA field. Through these activities I aimed to broaden my horizon, and consider whether there was a different or possibly better way to pursue my action research in this field.

From a theoretical and practical point of view, I focused on working with action modes. Next, I paid close attention to my personal development as a scholar-practitioner working in and with our organisation, and also considering ethical action-oriented research for a doctorate. Research on the action mode of inquiry and my personal experience enabled me to devise a form of

practice-based research that addresses a number of concerns both in the academic world and beyond.

In solving our organisational problem and making a contribution to practice and academic knowledge in the IPA field, I tried to integrate scholarship with everyday practice when making sense of the research outcomes. Therefore, becoming a scholar-practitioner has made me aware of my impact on the research, research practice and philosophy.

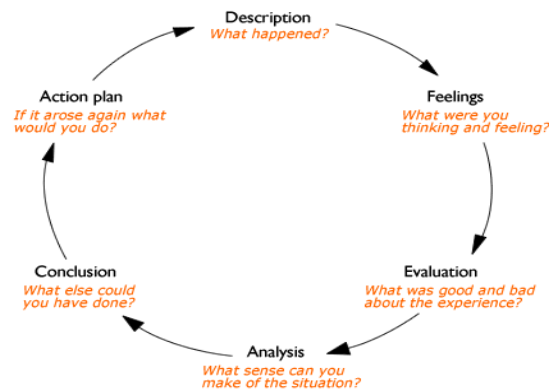
6.3 Gibbs' Reflective Cycle and 1st, 2nd, 3rd person reflection

In my action research, I adopted Gibbs' reflective cycle and the 1st, 2nd, 3rd person reflection method of Coghlan and Brannick as introduced through a taught module of the DBA. Certain research paradigms (e.g. the positivist tradition) deny the need for reflection, because they assume that it is impossible for the researcher to achieve scientific distance and ensure enough neutrality in the research context to create objective knowledge. In action research, reflection made me aware of the various forms of knowledge and embraced the inclusivity of the researcher involved in the research.

6.3.1 Gibbs' Reflective Cycle

At its simplest level, the six-step model for reflection developed by Gibbs (1988) provides a useful way to practise reflection in relation to my workplace-related issues (see Figure 6.1, below). Gibbs developed the idea of a reflective cycle to encourage action researchers to think systematically about the phases of an experience or activity. Alvesson and Sköldbberg (2000) discussed the importance of reflection, arguing that "There is no one-way street between the researcher and the object of study; rather, the two affect each other mutually and continually in the course of the research process" (p 79). Using Gibbs' Reflective Cycle, the aim was to explore different/new ideas, challenge my assumptions, and approaches to doing or thinking about things and promoting change.

Figure 6.1 Gibbs' Reflective Cycle



Source: "Learning by Doing" by Graham Gibbs (1988)

I used Gibbs' reflective cycle (1988) to help our marketing team members think about the way in which we dealt with situations so that we could understand what we had done well, and know where we needed to improve. Our team found that they learnt best from their own experiences. However, if they did not reflect on their experiences, and did not consciously think about ways of doing better next time, it was hard for them to improve. This is where Gibbs' reflective cycle is useful. I used it to support my team members to make sense of events at work so that we could do better in the future. Gibbs' reflective cycle has six stages: description, feelings, evaluation, analysis, conclusions and action. Reflection is a central concept of management and organisational learning.

In my study, reflection on content, process and premises is critical to both the action research cycle and meta-learning. As Raelin (2008) discussed, reflection is the key to learning, because it enables our team members to reveal and make explicit what they have planned, discovered and achieved in IPA practice. Our reflections were brought into the open so as to go beyond privately-held assumptions and this helped us to see how our knowledge in the IPA promotion field was constructed.

When I conducted two action research cycles, reflection was a process of self-reflection and usually defined as stepping back from involvement to query an action, and then to plan the next action with new insight (Kolb, 1984; Boud

et al., 1985; Moon, 1999; Raelin, 2008). I reflected why I thought information accuracy was more important than regional strategy and found that it derived from my work experiences and the literature review. We had learned lessons from Chinese parties when they came to us regarding the lack of information about UK business practices. Reflection is the essential connection between an actual experience, one's conclusions about it and taking further action. The reflection of my research provided evidence that could improve our performance of the IPAs task.

6.3.2 1st, 2nd, 3rd person reflection

During action research cycles, I also applied 1st, 2nd, 3rd person reflection (Coghlan and Brannick 2014). First-person reflection concerns what I have learned about my practice. The first-person investigation relates to the idea of evaluating actions to do with the factors influencing investment promotion from Chinese investors. Such ideas are the foundation of making decisions and determining the next action, learning in and through action. From a first-person standpoint, I want to act politically and sincerely in a style matching my own principles and practice as an action researcher. In my case, first-person self-reflection is an essential part of testing my actions faithfully by means of action research.

Second person reflection concerns my organisation's practice and performance. It is what my association/organisation learned through two series of action research cycles. Second person reflection consisted of liaising with co-workers and patrons in my workplace, combined with the collaborative processes of building and implementing change.

Third person reflection is a profession-wide review of the knowledge that the industry or society has gained in connection with the work of an IPA. Consideration of the third person component is crucial for increasing the ability of action research to guide policies in the IPA field. I engaged with other participants from CBBC and CCPIT through interviews while undergoing the procedure of self-examination, the critical element being how I could share my first person estimations of value with other participants from other IPAs,

so that the learning gained could be used in IPA tasks and a new action plan. Together, 1st, 2nd, and 3rd person reflection processes focused on action and the generation of practical knowledge for both practitioners and the wider community.

6.4 Action Learning

Action Learning is a significant procedure in which our team examined authentic problems, then took action and gained knowledge as individuals, as a group and as an organisation. The idea of action learning and its epistemological state was initially formulated by Revans (1980), who used it to support creativity in organisational and business expansion and to enlarge on problem-solving attempts. In my workplace, the underlying problem is to improve our IPA performance and find the influential factors that attract more investment in the education sector. To solve this problem, I conducted two series of action research cycles based on research questions, and learned from our learning set members, from investors in the H group, and participants from two leading IPA agencies. Effective learning derives from all the stakeholders gaining new insight together, so the research questions are significant elements in my action learning. Action learning helps me to solve our major workplace issues. It has become a key element in my organisation's leadership growth programmes. The important contribution of action learning is setting out the problem and developing a support learning set. China's concept of action learning has a long history. The components were grounded in ideas that were formulated by the great thinker and activist Confucius (551 BC to 479 BC), who said "I hear and I forget. I see and I remember. I do and I understand."

In my workplace, as a partner responsible for marketing and operations, I do not always have sufficient information to provide my stakeholders and colleagues with solutions. From 'The power of great questions', I found that the way the question is asked affects the question content, and action learning questions by their nature are usually potent and inspired. Action learning

takes an essential role in the cycle of investigation, learning, reflecting and action.

6.4.1 Barriers to action learning

What we as an IPA should learn from the failures in attracting investment is a perpetual question. As Simon and Pauchant (2000) stated, committed organisations not only need to boost first-level learning, leading to better regulation, technology and training, but also second-level learning to help executives and colleagues focus on their models of doing business and adapt them. This should lead eventually to third-level learning, resulting in deeper understanding and better approaches to tackling very complex business problems. I looked at the hidden barriers to our IPA promotion practices and tried to avoid letting some small issues grow into something more serious (Smith and Elliott, 2007). The barriers in my list included rigidity in belief, cultural differences, language barriers, poor communication, ignoring of advice or threats and an unclear division of work. Similarly, Haunschild and Sullivan (2002) studied learning from complexity, suggested that heterogeneity is generally better for organisational learning than homogeneity, and that past issues could result in greater bureaucratic procedures, which then could cause additional obstructions in the future.

Action learning allows knowledge and actions to transfer from myself and my team up to my whole organisation while allowing what has been learnt to feed back to individual colleagues. Many organisations have barriers to action learning and do not share knowledge about likely issues or problems resulting from a change. This is called “organisational silence”. I consider that it is due to managers’ and executives’ anxiety about negative feedback both internal and external, and is related to the corporate belief or culture among the relevant managers. Staff must also be eager to break down barriers and also admit the truth themselves; team-wide responses need attention (Morrison and Milliken, 2000).

6.4.2 Action learning and knowledge generation

The main difference between action research and other research methods is that it depends on insider enquiry (Brannick and Coghlan 2007). Action research assists in action learning and maintains organisational knowledge creation better than other research methods. My colleagues in the DBA learning group discussed how to connect action learning and knowledge creation. In my workplace, we established a working team of members of the set supported by our partners. Half a dozen people from all over the organisation brought together their diverse backgrounds and different approaches to generate brilliant ideas. These set meetings provided channels along which I could cooperate with my team and discuss whether the issues were in any way influencing our developmental marketing and, if so, how we could cope with them. This particular method was beneficial to all the group members and indeed the organisation as a whole.

In the course of my action research, knowledge about the factors influencing IPA promotion was exchanged between our action research team and participants from H group, CBBC and CCPIT. At the team/organisation level we all shared and created the knowledge from personal experience. In this way, within the organisation, our team spread knowledge between China and the UK offices, thereby improving the efficiency of our IPA work in the education sector. The creation of organisational knowledge moves from the individual to the team level, and then to the whole organisation.

The Japanese scholar Nonaka has created a paradigm in knowledge creation. His articles published in 1991, 1995 and 2005 were essential materials to guide my research. Nonaka and Takeuchi (1995, p.3) described organisational knowledge creation as "...the capabilities of a company as a whole to create new knowledge, disseminate it throughout the organisation, and embody it in products, services and systems". Throughout the action research process, I highlighted the foundation of ideas for knowledge creation, and also considered a commitment to start them in my organisation. According to Keith Pavitt (2005), the nature of internal knowledge relative to external

knowledge already forms the basis of an organisation's sustainable competitive advantage. In the United Kingdom from 1959 to 1979, among 3013 major innovations, 59% were based on internal innovations; in some industries, internal technological innovation accounted for 70% of total innovations. Therefore, I consider internal knowledge creation is vital for us to perform well, and we need to enhance our capacity to share knowledge.

I consider that acknowledging the relevance of a learning organisation to knowledge management helps our performance to excel. Knowledge creation affects organisational business performance, and organisations can gain a competitive advantage through organisational knowledge creation by understanding how to transfer individual and team knowledge, and use it strategically (Nonaka et al., 1994). Becoming a "learning organisation" promotes knowledge creation: the organisation can reflect effectively on a changing environment. Manager-researchers are facing challenges such as pre-understanding, role duality, and managing organisational politics, which create potential ambiguity and conflict. Evered and Louis (1981) highlighted two approaches: "Inquiry from the inside" and "Inquiry from the outside". They maintained that the epistemological differences between these could help organisation researchers to choose the right model for their study purpose. Action learning and knowledge generation are very significant for improve our IPA promotion practices in my organisation.

6.5 Driving changes in my organisation

Action research is crucial for driving organisational changes. In my study, I collaborated with the H group and implemented interventions for improving our organisation's performance in attracting investment. Acting as a change agent, I engaged in problem identification, constructing action research, planning action phases, and taking and evaluating action. I was involved in two series of action cycles, collected the first-hand data from focus group discussions and semi-structured interviews, and proposed possible changes to improve our IPA's performance. The whole process was action-oriented with the objective of making the changes successfully.

The process of my action research consisted of the three stages of change based on Lewin's (1947) change model: unfreezing, changing, and refreezing. The first stage in making changes in my organisation was diagnosing the need for a change (unfreezing). We discovered problems in the agency's work and looked for a positive change from the current position (or the status quo) to something new. The diagnosed problems in my organisation were that our organisation did not know the main factors influencing IPAs' practices in attracting inward FDI from China to the UK. We did not have clear strategies and approaches, either, to improve our practices after a few deals failed. I set up an action team consisting of five members of the marketing team, to preparing group behaviour for change, which is a more effective way of bringing about change.

The second stage was to introduce an intervention (changing). After two action research cycles, I had found our weaknesses in the education sector and proposed a new investment promotion plan, hoping to bring changes and knowledge to my organisation. Acting on the idea that four factors and not two, influence the attraction of FDI from China to the UK, our marketing team developed new ways of thinking within our organisation. We are now planning to make further changes, by increasing the number of offices in west China and extending the business scope to the hi-tech unit in the education sector, especially in artificial intelligence (AI) and online education programmes. I introduced the five-step FDI attraction model, which provided an actionable strategy and contributed to the sustainability of the changes.

The third stage was to evaluate and stabilize the change (refreezing). I realised that in the last two decades investment promotion had become more competitive and complicated. New investors from emerging economies have been approached by IPA agencies from host countries through a number of channels. I needed to stabilize the changes in my organisation. Management offered guidance to all employees involved in change processes, not only to change agents with official authority, in order to give equal attention to executive driven top-down change and bottom-up or egalitarian changes made by the staff. In my organisation, we want to benefit from the uncertainty toward

change, while reducing the stress on our colleagues. The term ‘systemic change’ means that individuals and teams not only work within a socio-cultural context, but also that they need to be concerned about conventions and regulations from organisations, regional and national agencies and even international sources. The change initiatives were carried out on several levels, so we consciously took those factors into account. When I faced challenges or problems, I asked questions, listened and reflected, worked out pathways of relevant information and then generated new ideas. We, the staff, were part of the problem, but we were also part of its resolution (Grint, 2005). The effective changes provided a rich landscape for action researchers. We hope through the organisational changes to successfully attract investment from China to the UK’s education sector, which would demonstrate the effectiveness of the changes that we adopted in our IPA work.

The origins of action research as a means of achieving organisational changes in the field of management have established the importance of supporting systemic change. When I conducted action research in my workplace, I viewed it as the key to understanding how our team and the stakeholders responded to the nature of change and how to respond in turn. Organisational change is inevitable and can be a sustainable process and it is especially important to understand how far we can control its nature (what is involved in the change) and its direction (where it leads us to) when we set out to introduce an entirely new system to secure improved performance.

Despite the complexity of individuals, groups and institutional and social relationships, the planned changes would be sustainable if the contradictions in all the relevant responses could be understood or predicted. In the words of Weigert and Franks (1989: p.223) change “is likely to lead to collective public responses”. The contradictions then could be incorporated into the scope of action research at an earlier stage. In my case, the contradictions in the factors influencing IPAs’ power to attract investment between the UK and China were included in my action research in the first place. We believe that action research not only provides a way to generate practical knowledge and maintain innovation in our organisation, but also a way to combine social science

research with the actual actions of the participants so that all the stakeholders and not merely the action researchers become engaged in change. Piderit (2000) proposed a new approach to organisational change, which encourages people first to understand the common contradictions and ambiguity in individual responses to change, and then examine the positive and negative outcomes of different types of conflict. It is fundamental to action researchers to understand the causes of the contradictions and ambiguities about changes within their organisations.

6.6 Chapter summary

This chapter has discussed the reflection on action research from various perspectives. In action research, reflection is the activity which integrates and connects action to research.

First, I adopted Gibbs' reflective cycle and 1st, 2nd, 3rd person reflection (introduced through a taught module of DBA) to achieve scientific distance and ensure neutrality for the sake of objective knowledge in the research context. I reflected on my development as a practitioner-scholar. Scholarly practices helped me craft my research and make differences in my organisation and beyond. My experience showed that these lead to the production of professional knowledge that is both rigorous and relevant and that they were ideally suited to the development of a scholar-practitioner as a DBA candidate.

Second, with the above discussion in mind I described the critical contribution of action learning as problematisation and reported the development of a supportive learning set in my organisation. Organisations learn from failure and employees learn from mistakes and hidden barriers. This knowledge creation improved our organisational performance. Action learning was a significant process that involved work for our team on an authentic problem, taking action and learning as individuals, groups and as an organisation.

I finally discussed driving change in my organisation. Action research is crucial for this purpose. In my study, I collaborated with the H group and participants from CBBC CCPIT to implement interventions for improving our

organisation's IPA performance. As a change agent, it needed three stages of change based on Lewin's change model: unfreezing, changing, and refreezing. Change is an inevitable and continuous process, and this is particularly important when one makes a deliberate attempt to introduce something new in order to bring about improvement.

Chapter 7 Conclusion

7.1 Conclusion

As a scholar-practitioner, I selected a qualitative action research approach and case study method to address three research questions: (1) what factors influence IPAs in their work of attracting inward FDI from the emerging market of China to the UK? (2) How can we improve our organisation's IPA performance? (3) How can FDI from China to the UK be increased using IPA promotion practices and activities? The primary purpose of the research has been to generate actionable knowledge which provides a trustworthy foundation for sustainable improvement in my organisation.

In attempting to solve my workplace problem, in the first chapter, Introduction, I provided basic information about the research, including its background, the research problem and questions, and the planned action research methodology. In the literature review chapter, focusing on dimensions and relationships, I established a concept structure and described the theoretical framework, integrated peer-reviewed research studies of three core concepts: IPAs, the practice of IPAs and inward FDI attraction. As I knew the problem and research questions before the literature review, I was not looking for a research gap but for something different – literature that informed and elucidated the research questions. Underpinning the theory framework of "classical IPA tasks" in Wells and Wint, the Eclectic Paradigm theory (OLI framework) of Dunning, and the Three Layers of Investment promotion, I analysed the important role played by the emerging country of China in the UK's inflow of FD and chronologically investigated the key factors in determining the effectiveness of IPA practice and activities. On the basis of the literature review, I proposed four main factors influencing the work of IPAs like mine.

The methodology that guided the overall study is the spiral model of action research proposed by Coghlan and Brannick. My research design was one action research study run for twelve months. Then in a second series of action cycles which took six months and involved a comparative case study of

CBBC and CCPIT, I explored influential factors from an external research perspective. The research was not to collect empirical numbers and mathematical expressions, but to collect and analyse verbal data using a range of qualitative constructivist approaches, including focus group discussions, semi-structured interviews and open coding. I applied data triangulation in my study because triangulation in qualitative research can endorse the quality of the research. It involves taking managerial actions based on “lived experiences”. I was an insider at CBBA, and I facilitated organisation changes in the case study comparing CBBC with CCPIT, I was an outsider analysing tending to be more opinion-based than action-research based. I assessed the evidence used to answer questions and presented the outcomes of my three research questions. I initially identified four factors influencing IPA practice in attracting inward FDI from China to the United Kingdom, namely: (1) policy advocacy and regulations; (2) regional strategy; (3) targeting industries; and (4) adaptation to cultural differences between China and the UK. I proposed marketing steps for a strategy to attract FDI and planned a new operation and marketing strategy in my organisation. At the organisational level, five additional offices in selected provinces are now to be opened, and we will enter a technology business unit engaged in online training programmes. These will support international education programmes and improve our performance in the education sector.

Finally, no action research occurs without reflection. As a practitioner, integrating action and research, I reflected on my activities and then linked academic and practical knowledge to ensure that the action outcomes would change the organisation. Addressing the issues associated with IPA promotion through this action-based study has enabled me as principal researcher to carry out my organisational duties more effectively.

7.2 Contributions to practice and academic knowledge

7.2.1 The contributions to practice

The current marketing strategy devised by the CBBA marketing team from its UK office and three offices in China failed to make an effective IPA promotion. Our organisation did not know the main factors influencing the IPAs' practices for attracting inward FDI from China to the UK. We had no clear strategies and approaches to improve our investment promotion practices when a few deals failed. Through this research, I attempted to solve my workplace problem gradually and make contributions to its practice. The contributions are three-fold: (1) the research has found the gap between the views in the literature and the result of action-oriented research about the four factors influencing the performance of IPAs. The regional strategy was a critical factor which I missed when I conducted the literature review. After interviewing participants from two agencies, I sensed that the provincial policies in the 31 provinces of China were crucial because they took account of local resources and provincial development plans. The research barrier was identified and the adjustment made in response; (2) our marketing team made changes in strategy to improve its performance. As the marketing and operations director, I proposed to ally with Chinese partners to open a further five offices based on regional development strategies in China. Additionally, our management proposed a market strategy in which our agency would start to promote a new business sector: hi-tech projects (e.g. online training and AI applications in the classroom) in Chinese education. We will clarify the new marketing strategy with the Chinese branches, set up networks with stakeholders, and enhance cooperation with our main Chinese clients; (3) Thanks to "Learning by Doing" (Gibbs, 1988), our agency is becoming a learning organisation. We not only generated actionable knowledge through improving our personal and organisational performance as an IPA, but also developed a new thinking pattern within the organisation, which provides a useful way for us to practice reflection in relation to our workplace-related issues. Using the critical contribution of action learning, we demolished the barriers to organisational learning from organisational and employees' mistakes and failures. This has led to changes and knowledge creation, and in the end has positively affected organisational business performance.

7.2.2 The contributions to academic knowledge

Although not the primary aim of the study, three contributions were made to academic knowledge: (1) it contributes to the new approach to AR applied on investment promotion agencies, where the “researcher” and the “researched” are in the same organisation. We could find no peer-reviewed studies of applications of action research (Coghlan and Brannick 2014). The present study (1) applied an action research approach and gathered existing knowledge on the factors influencing IPAs’ work from the perspective of external and internal researchers. (2) We concluded that four main factors influence investment promotion agencies’ practice in attracting inward FDI from China to the United Kingdom, providing support for previous studies and contributing to the enhancement of knowledge among IPA practitioners in China and the UK from the learning of experts. (3) Moreover, the marketing steps in attracting FDI could make a contribution from an academic perspective to action research on IPAs.

7.3 Future research areas

This section considers areas for future research. My research gave me an opportunity to explore more deeply many subject areas related to this topic. Participants were very informative, but I had to leave many topics unaddressed due to the constraints of time and content. I also attended a few wide-ranging conferences about trade and investment between China and the UK where academics from Kings College, London, pointed out that the three superpowers in the world would be America, China and India. One area for future related research offered to me by a participant was “The research could extend to IPAs working between emerging markets/BRIC countries, for example, China and India and China and Russia.” I compiled two reports, one on inward FDI from China and Russia and the other on inward/outward FDI in India, Brazil and South Africa. Of interest, too, is the research on the ways in which FDI trends between Asia and Europe are changing.

7.4 Recommendations for implementation in IPA action programmes

This study recommends that (1) the four factors influencing investment promotion can be useful for IPAs' practices in offices between China and the UK; (2) Research to compare the outcomes from any one of the agencies in different countries and/or cultural settings can benefit our practice; (3) IPA's five-step FDI attraction model may call for regional diversification and investor-targeting efforts. The Five-step FDI attraction model determines the action-orientated programmes and consequent performance. Action-oriented programmes reflect the different stages of their implementation, including measurement and adjustment for the purpose of setting up and improving a strategy for attracting FDI. This also raises several questions that can be addressed in future analysis. I will focus on the feasibility of applying the model to our organisation practice. In general, the measurement and adjustment of a programme's outcomes are important. Outputs and outcomes need to be distinguished.

7.5 Limitations

IPAs contribute to substantial changes and developments in inward and outward FDI whether in home or host countries. As discussed in previous chapters, IPA research is limited because its history goes back on average only 18 years, while the organisations themselves, in their own countries, are complex. This has resulted in limited research for academic purposes, and thus few IPA theories are available.

The limitations of qualitative research fall into three main classes: (1) like all qualitative research, its findings may not be generalizable. However, they may still be important; (2) Human behaviour is considerably influenced by its context so that behaviour must be studied in its specific setting; (3) Ambiguities, which are integral to human language, can be acknowledged by analysis.

Evaluation of performance is no doubt an important aspect of the management of IPAs. We can see from the discussions that evaluation is one of the most difficult tasks that a promotion agency needs to deal with. There appears to be a limitation regarding approaches to evaluation, which differ greatly between different agencies. Evaluation is an instrument for discovering what types of activity and structure are most efficient and effective in achieving a goal. These limitations arose during my research.

Although above limitations addressed the potential weakness of my study, the action research approach is very different from traditional social research with its pros and cons, since it integrates social science enquiries with participants' practical action. IPA organisations vary in their history, legal status, size and number of overseas offices, it is hard to assess the benefit to all IPAs from uncertainty toward systemic change (see p. 15 above). It challenges the managements of investment agencies. Change initiatives have to be implemented on different levels, which executives need consciously to take into account.

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APPENDICES

Appendix 1



Committee on Research Ethics

Participant Information Sheet

Research Title: The emerging market of outward foreign direct investment in developed economies: The case for investment promotion agencies in China and the UK

My name is Hongmei Dickinson and I am conducting this research as a candidate for a Doctorate in Business Administration through an on-line programme at the University of Liverpool, Liverpool, United Kingdom.

You are invited to participate in a research study. Before you decide whether to participate, it is important for you to understand why the research is being done and what it will involve. Please take time to read the following information carefully and feel free to ask us if you would like more information or if there is anything that you do not understand. Please also feel free to discuss this with your friends and colleagues if you wish. We would like to stress that you do not have to accept this invitation and should only agree to take part if you wish to.

Thank you for reading this.

What is the study about?

The purpose of this study is to investigate how the promotion techniques and practice of International Promotion Agencies (IPAs) affect the flow of foreign direct investment (FDI) from China into the UK, and how to improve the effectiveness of investment promotion through some selected cases.

Why have I been approached?

You have been approached because the case study method requires information from people who are working in a selected IPA or once worked for an IPA.

Do I have to take part?

No. It's completely up to you to decide whether or not to take part, it is voluntary and participants are free to withdraw at any time without explanation and without incurring a disadvantage.

What will I be asked to do if I take part?

You will need to answer two open questions about the practice of international investment and trade promotions based on your organisation. It will take you about 5-10 minutes. I will handle your response safely and keep it confidential; ensuring that it has no unexpected outcomes or adverse events. The interview time is rather flexible and you might answer those two questions during our meeting or another event, or, with your permission, I may follow up with a call to you.

Will my data be identifiable?

No. Participants' identities will not be directly or indirectly disclosed in the research procedure and analysis/write-up plans. I will respect the participants' data and handle them according to the regulations and standards of the EU. I will state clearly that individual contributions not be identified when I conduct secondary data analyses. Encryption or other anonymization procedures will be used. No direct quotations from participants will be included.

What will happen to the results?

The results will be summarised and reported in my degree thesis and may be submitted for publication in an academic or professional journal.

Are there any risks?

There are no risks anticipated from taking part in this study. However, if you experience any distress following participation you are encouraged to inform the researcher and contact the resources provided at the end of this sheet.

Are there any benefits to taking part?

Yes, the potential benefit of the research to the participants is to provide a valuable reference for their international trade and investment activities in practice, and will effectively address a gap in the literature about IPAs between China and the UK.

Who has reviewed the project?

This study has been reviewed by the Faculty of Research Ethics Committee, and by the University Research Ethics Committee of Liverpool University.

Where can I obtain further information about the study if I need it?

If you have any questions about the study, please contact the main researcher:

Diana Dickinson

Email: diana.dickinson@online.liverpool.ac.uk

My contact mobile: 00447726762828

Complaints

If you wish to make a complaint or raise concerns about any aspect of this study and do not want to speak to the researcher, you can contact:

The Research Ethics Committee at liverpoolethics@ohcampus.com,

Thank you for taking the time to read this information sheet.

Appendix 2

Committee on Research Ethics

PARTICIPANT CONSENT FORM

Participant's Name	Date	Signature
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Hongmei Dickinson	01/01/ 2018	
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Researcher	Date	Signature
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Principal Investigator:

Name: Hongmei Dickinson

Address: St John Innovation Centre, Cowley Road, Cambridge CB4 0WS

Telephone number: 03303 500668 07726762828

Email address: diana.dickinson@cbbauk.org

Optional Statements

The information that you have submitted will be published as a thesis.
Please indicate whether you would like to receive a copy.

I understand that confidentiality and anonymity will be maintained and it
will not be possible to identify me in any publications.

I agree to allow the data collected from me to be used in future research and
understand that any such use of identifiable data would be reviewed and ap-
proved by a research ethics committee.

☐

I understand and agree that my participation will be audio-recorded
And I am aware of and consent to the researcher's use of these recordings
for the following purposes:

☐

- Transcribing the records
- Analysing the anonymised transcription
and
- coding/comparing them with other data and results

I understand that I need not take part if I have any doubts or feel uncomfortable and want to withdraw

I agree to allow the data collected from me to be used in relevant future research.

☐

I understand that my responses will be kept strictly confidential. I give permission for members of the research team to have access to my anonymised responses.

☐

I understand that my name will not be linked with the research materials, and I will not be identified or identifiable in the report or reports that result from the research.

☐

I understand and agree that once I complete the interview, it will become anonymised and I will therefore no longer be able to withdraw my data.

Appendix 3

Bilingual Three Semi-structured Questions and Interview Samples

Interview Sample on 14 June, 2018

6月14日记录:

1. What factors influence IPAs in attracting inward FDI from the emerging market of China to the UK?

1. 哪些因素影响对外投资促进机构吸引新兴市场国家中国对英国的投资?

A. Policy advocacy B. Information Accuracy C. Targeting industry D. Cultural integration E. others

A 政策倡导; B 信息准确度 C. 目标行业 D. 文化融合 E. 其他

Interviewee:

4个因素都比较重要。中国对外投资促进机构受A\C两个因素的影响比较明显。在A政策导向方面,国家层面宏观,省级机构更具体。对内或对外直接投资都是有意向需要一个过程,有的只是来英国随团组看看,是否有商业机会,有的是有在具体行业找投资合作倾向的。客户都是有目的而来,针对不同的投资客户,B及C因素都有影响,我们要提供行业有关信息。D因素影响主要是在投资收购后发生的。

All four factors are important. China's investment promotion agencies (IPAs) are more affected by the two factors A and C. In terms of Item A policy advocacy orientation at the national level is macro-level and at provincial-level institutions it is more specific. Inward or outward direct investment is a process that needs intention from the first. Some Chinese investors or corporations may come to the UK just to see whether there are any business opportunities, especially for first-time visitors, and some might come to negotiate investment cooperation in specific industries. Customers come to the UK with different purposes. A, B and C factors make an impact on different investment customers. We need to provide relevant information about the industry. D factors normally appear after the investment project has been successfully completed.

2. 您听说过英中贸易协会 CBBC 吗？CCPIT 相较 CBBC 在贸易促进方面有哪些不同？

2. Have you heard of the China-Britain Business Association CBBC? What are the differences between CCPIT and CBBC in terms of trade and investment promotion?

Interviewee:

听说过。CCPIT 和 CBBC 相互之间是知道的，但中国企业知道 CBBC 的并不多，CBBC 需要向有投资意向的中国企业加大推广力度，提高在中国企业的认知度。尤其是在宣传英国的投资政策及投资行业方面。CCPIT 与 CBBC 有很多不同，我们 CCPIT 在全世界都有分支机构，CBBC 的分支机构主要在中国。中国企业希望与海外合作，一般都会通过中国政府机构来了解海外有关行业情况，一般不会直接联系 CBBC 或 CCPIT，我们有部分政府职能如发原产证等，同时为国内企业提供海外参展机会，CCPIT 海外分支主要接待国内的有关商业代表团。

I have heard of CBBC. CCPIT and CBBC know each other, but not many Chinese companies know CBBC. CBBC needs to enhance trade and investment promotion to Chinese companies and raise awareness in Chinese inward investors, focusing especially on promoting the UK's investment policy and industries to invest in. CCPIT is different from CBBC. Our CCPIT has branches all over the world. The branches of CBBC are mainly in China. If Chinese companies want to cooperate with overseas companies, they usually contact another Chinese government agency to get information about the relevant overseas industries and potential partners. Generally, they do not directly contact CBBC or CCPIT. We in CCPIT mainly have governmental functions, such as issuing original certificates, and organising /providing overseas exhibitions for domestic enterprises. CCPIT overseas branches receive domestic business delegations in host countries.

3. 如何改进贵机构在投资促进机构实践上的表现？

3. How can you improve your organisation's IPA promotion performance?

Interviewee:

提高投资促进机构效率, 加强加深对有关行业的了解, 提供所驻国的情况介绍, 组织商业对接会议。

Improve the effectiveness of IPA investment promotion, deepen its understanding of the relevant industries, provide briefings in host countries to potential investors, and organise business matching meetings.

4. 如何使用 IPA 实践和活动来增加从中国到英国的 FDI ?

4. How can FDI from China to the UK be increased by means of IPA practice and activities?

Interviewee:

从实践方面来增进中国到英国的投资, CBBC 及 CCPIT 作为 IPA 的投资促进的推广力度要加大。我们知道 CBBC, 有过合作, 但国内的企业不了解, 可能 CBBC 的主要针对的是给英国企业提供服务, 中国企业对 CBBC 的了解非常有限, 他们不知道哪些有效的渠道可以到英国寻找投资合作机会。再者中国对海外投资有指导政策, 尤其是行业方面, 中国企业海外投资必须符合国家政策。目前英中两国关系稳定, 需要双方共同努力提高贸易投资促进。

In terms of practices for increasing investment from China to the UK, CBBC and CCPIT as IPAs will need to enhance their investment promotion activities. We know CBBC and have cooperated with it in running some events, but domestic companies don't know CBBC. Maybe CBBC is mainly aimed at providing services to British companies. Chinese companies have a very limited understanding of CBBC. They don't know much about choosing effective channels along which to cooperate with the UK parties. Furthermore, the Chinese government has guiding policies for overseas investment, especially in industry. Chinese companies must invest in overseas countries in accordance with national policies. At present, the relationship between the UK and China is good and stable, and both parties need to work together to improve trade and investment promotion.

5. CCPIT 针对不同的国家是否有具体的贸易投资促进策略及实操方案?

5. Does CCPIT have specific trade and investment promotion strategies and practical solutions for different countries?

我们在英国的分部主要处理 3 个欧洲国家的贸易促进业务，主要配合 CCPIT 国内各分支机构的需求，协助参展等。

Our branch in the UK mainly deals with the trade promotion business of three European countries, most often in line with the needs of various branches of CCPIT, and assists in the overseas exhibitions.

Appendix 4 Investment Promotion Functions

Image Building

- Advertising in general financial media.
- Participating in investment exhibitions.
- Advertising in industry- or sector-specific media.
- Conducting general investment missions between the source country and the host country.
- Conducting general information seminars on investment opportunities.

Investment Generation

- Engaging in direct mail or telemarketing campaigns.
- Conducting industry- or sector-specific investment missions between the source country and the host country.
- Conducting industry- or sector-specific information seminars.
- Engaging in firm-specific research followed by sales presentations.

Investor Services

- Providing investment counselling services.
- Expediting the processing of applications and permits.
- Providing post-investment services.

Policy Advocacy

- Participating in policy task forces.
- Developing lobbying activities.
- Drafting laws or policy recommendations.
- Reporting investors' perceptions.

Appendix 5 Evaluation of Investment Promotion by Type of Activity

Promotional activity	Typical evaluation process
Image building	Ad hoc, project-based evaluations. Evaluation is not integrated into the management control system of the agency. Evaluation is conducted by an external organisation
Investment service	Similar to the process of image building
Investment-generating activities conducted in-house	Continuous process of evaluation. Evaluations performed by agency and evaluation process well integrated into the agency's management control system
Investment-generating activities contracted out	Evaluation conducted on a project basis by a contractor or an independent evaluator hired by the organisation financing the activity. Evaluation process not integrated into the contractor's or the agency's management control system

郑州市人民政府文件

郑政〔2017〕38号

郑州市人民政府 关于加快引进优质高等教育资源的意见

各县（市、区）人民政府，市人民政府各部门，各有关单位：

为进一步提升我市高等教育整体实力，推进国家中心城市建设，现就加快引进优质高等教育资源提出以下意见，请认真贯彻落实。

一、总体要求

深入贯彻落实创新驱动发展战略，积极引进国内外优质高等教育资源来郑办学，提高郑州市高等教育质量，促进郑州高等教育多元化、国际化，大力融合集聚科技资源、教育资源、人才资源，提升创新能力，厚植发展优势，为建设国家中心城市提供强

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有力的人才保障和智力支持。

二、工作目标

用5年左右的时间，引进5—7个优质高等教育机构（含国内外优质应用型技术大学），10个左右高校研究院、人才培养基地、技术研究中心等机构。驻郑高校本科生培养国际化水平不断

Appendix7 Letter of Intent



Appendix 8 Discussion Email Sample between Participants in Chinese

Email from Lisa:

To: diana.dickinson@cbbauk.org

Sent: 28 July 2017 13:18

To: <diana.dickinson@cbbauk.org>

Subject: 几点意见

近期我们同事开会讨论方案时，总结了几点觉得需要进一步完善，现在我把提议再翻译成中文发给您。这些意见是围绕着基础工作来谈的，能够让我们的邀请更显得有诚意，并且有的放矢。

总的来说，和国外学校交流的文件中最好有更多的数据，能让他们看到更多的利益点。现在的介绍让人只能看到意向强烈，却抓不到具体的东西，他们即使想发问，也是海底捞针，无从说起。为了能够找到切入点，觉得材料应该从以下几个方面进行充实。

1. 对于已经在中国开展合作办学的学校，有的是直接开分校，有的是学院之间合作，应该至少举出两到三个案例分析，对这些学校的学费收入，教师待遇，其他税务和日常开销，损耗等有比较详细的介绍，这样能让英方学校对他们未来的盈利情况有一定的了解。国外院校如果看不到这些数据分析，他们很难对未来的收益情况作出预估；

2. 大家都知道中国的人口政策使中国人口将在 20-30 年之后断崖式骤减，尤其是高中毕业学生人口数未来十年或者二十年后可能会有较大波动。加上近年来在中国大陆开办合作办学的院校数目增加较快，未来是不是面临着学校饱和，生源被稀释的风险？如果贵校能提供中国适龄大学生人口数统计以及未来 10-20 年预估人

数，再提目前大学承载能力的对比数据，这样可以让国外学校看到中国虽然人口总体趋势减少，但是由于目前大学承载力有限，仍有很大发展空间。

3. 在贵司材料中，多次提到政府扶持。但是没有能够具体介绍政府有哪些保证和扶持条款能够让中外合作办学从中受益，如果能够有更详细的介绍，也会更有说服力。现在中国政府对于合作办学采取非常审慎的态度，对于国外学校在意识形态上的影响很敏感，并且打击盲目办学和重复投资的行为。当然相信贵校并不存在这些问题，只是在这方面有所准备，如果他们提出这样的问题，我们心里有数。

4. 对于合作办学管理办法，在邀请函中确实有介绍，其中肯定了董事会最高决定权的办法。国外学校的理事会成员在七席中只占两席。邀请函中，还讲到学校学费和各项教学支持都由国外学校支配，这其中似乎有点矛盾。如果理事会没有通过，又何谈有国外学校支配呢？所以，在这一点上，最好贵校可以进一步解释一下学校各方管理权限的划分。

5. 对于学校展开办学以后的利益分配，在邀请函中也鲜有提及。概念性的构想，没有具体实施办法。

6. 对于河南 X 学院的介绍，如果能在现有基础上，再介绍一下学校特色。比如未来有合作潜力的学院，具体介绍一下，最好是能够体现出生源未来 10-20 年有优势，毕业就业市场前景光明。学生素质能够得到保证。对于学校的合作细节，尤其是英语教学障碍的解决办法，如果能有一些自己的见解，这样更容易让应放学校找到切入点。还有要体现出贵校这些学院优秀在哪里。我们看到贵校学生获得很多奖项，这些都很宝贵。但是对于外国人来说，他们并不了解这些意味着什么，如果在介绍的时候，能够有这些比赛的介绍，对于获奖的学生，专业水平的程度有一定的描述，会有帮助。

7. 对于英方学校外派的老师安置，也要有一个意见和具体的经济保障。这些都是英方学校切实关心的问题。

以上是我们的一点拙见，如果不合适，还请多包涵。我们明白有一些是细节，或许不需要完全体现在邀请函中。但是要在邀请函中声明如有兴趣，具体细节要进一步商讨。这其中的度还要贵校根据具体情况斟酌一下。

Appendix 9 Discussion Emails between Participants in English

Sent: 24 July 2017 09:56

From: Robert Hawker

To: Subject: RE: Reply from University Q

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Why not translate the email from University Q and send it onto her wrapped around some consoling words of encouragement. I think you could say that the UK market is mature regarding Chinese collaborations and that we were really being asked to 'fish' in the wrong pool and a very small one at that; i.e., the Russell Group/top 20 have already done their collaborations, probably for a generation. The only option I can suggest is trying other universities and colleges. You know I hate all this ranking as there are some excellent universities not in the RG possibly worth asking. It may be that Madam Li needs to consider other countries. If that's the case then we could help her seek a partner in Europe, for instance France, Italy, Germany, The Netherlands. The world university rankings list a number of European universities we could ask: Paris V, Amsterdam, Zurich, etc. But as I said before, we need to look below the well-known and highly ranked institutions as they're the ones that others have already seen and asked. We need to ask those institutions that have a lower profile and may feel 'unloved' yet want a relationship. Anyway, let me know how you respond to Madam Li and her response in return. Good luck. ...